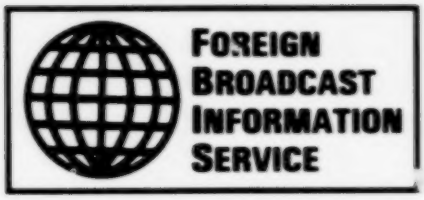

Daily Report

Latin America

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FBIS-LAT-92-080 24 April 1992

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Peru

President Alberto Fujimori faces a major crisis within his cabinet, Hamburg DPA reports. Economy and Finance Minister Carlos Bolona, author of Peru's neo-liberal economic program and spokesman at international financial organizations, has "conditioned" his remaining in the government to Foreign Minister Blacker Miller's resignation. Leading business organizations demand that Bolona be retained as economy minister so the current economic reform policy is continued. Fujimori refuses to comment on the current status of Bolona except to say that they "are talking." In an interview on Lima TV, Blacker Miller expresses his hope that Bolona stays in his position to "maintain the government's unity and economic direction." Resignations of two other key officials were announced in the DPA report, including those of Ambassador to the United States MacLean and OAS representative Stein.

The OAS mission completed three days of discussions and prepared to depart Peru on 24 April, Lima TV reports. Before leaving, Uruguayan Foreign Minister Gros Espiell and OAS Secretary General Baena Soares issue a communique about their mission, the goal of which is to create a dialogue leading to reestablishing democratic institutions that "respect the balance of powers, human rights, and the state of law." The mission's results will be revealed in a report to a special OAS meeting next week. A second visit to Peru is scheduled for the first week of May. In an interview with EFE, Gros Espiell says that currently "there are no serious or massive human rights violations" in Peru, but he recognizes that "critical days" are still ahead. The minister says the next visit will be "not to evaluate the situation any more, but to make proposals and participate in all possible initiatives."

Venezuela

A police strike and student demonstrations in Merida prompts President Perez to deploy National Guard troops there, NOTIMEX reports. AFP reports clashes between the police and guardsmen. Perez denies that there were military uprisings at some garrisons, according to DPA, but AFP reports that some members of the Air Force have been arrested.

Haiti

Provisional President Nerette accepts the National Assembly's invitation to attend a tripartite meeting of the executive, the Army, and a parliamentary committee, Port-au-Prince radio reports. Nerette invites the three parties to attend a "preliminary meeting" at the National Palace. The Army has not yet responded to the invitation.

Cuba

The Foreign Ministry issues a statement responding to President Bush's remark that he intends to intensify the embargo against Cuba, Havana radio reports. Bush is criticized for disregarding even "the smallest ethical or even diplomatic scruple" in his instructions to the Treasury Department to prohibit ships trading with Cuba from entering U.S. ports. The Foreign Ministry says the directive is a violation of "the recognized principle of freedom of the seas" and other internationally accepted legal norms. The statement portrays Bush's position as illustrative of "what the U.S. Government thinks of the so-called new world order."

Colombia

The government declares a "state of economic and social emergency in all the national territory" effective 23 April through 2400 on 27 April, Santa Fe de Bogota radio reports. The measure is to deal with a "serious" electricity shortage. Energy is being rationed, and the rationing "could be intensified or extended if the government does not take all possible measures in time."

Cuba

Foreign Ministry Issues Statement on Bush Remarks

FL2304130692 Havana Radio Rebelde Network in Spanish 0900 GMT 23 Apr 92

["Statement" issued by the Foreign Ministry; place and date not given]

[Text] George Bush made a statement on 18 April in which he reiterated his intention to intensify the economic, trade, and financial embargo against Cuba. The statement has been made at a time when the disagreement of broad sectors of international public opinion with this hostile policy has become more obvious than ever. Among the plan's main objectives is hindering the actions of those who oppose it. It is paradoxical that while the U.S. embargo against Cuba is being rejected more and more strongly by men, women, and governmental and nongovernmental institutions belonging to the most varied sectors of human thought, the U.S. President has issued a statement in which takes a direction markedly different than that upheld by those people and institutions.

That fact is so obvious that even officials of the government in Washington have admitted it in their public speeches. A recent case was the speech made by State Department representative Robert Gelbard at a hearing which took place on 8 April before the U.S. Congress. On that occasion, Gelbard asserted that the legislators of some governments agree that Cuba should not receive aid, but very few want to impose what he called an embargo against the island.

The increasing attention international public opinion is paying to the matter also became evident at the end of 1991 when the 46th session of the UN General Assembly decided to include on the agenda the subject entitled: "The Need to Halt the Economic, Trade, and Financial Embargo Imposed by the U.S. Government Against Cuba." That point, as is well known, will be open for discussion at the UN General Assembly session this year. One of the claims the U.S. delegation to the United Nations defended last year to try to prevent the inclusion of the subject on the agenda was that the embargo is of a bilateral nature in accordance with the provisions of international law and is not a blockade.

Even when there are many texts of U.S. regulations currently in effect, and for years they have proved to the hilt how the White House is trying to implement extraterritorial jurisdiction to impose its laws, decrees, and regulations against Cuba, Bush's latest statement in this regard has particular significance in that sense. The President does not hide his intention to impose on Cuba a political, economic, and social order that is in accordance with Washington's interests while, without ceasing to insinuate reprisals against nations that do not toe this line, he sets himself up as the leader of a crusade in which, as Bush says: My administration will continue to insist on the need to isolate Cuba economically to the governments throughout the world.

In that context, and disregarding the smallest ethical or even diplomatic scruple, Bush proclaimed his intention to violate the recognized principle of freedom of the seas when he explained that he had given instructions to the Treasury Department to issue regulations prohibiting the entry into U.S. ports of ships that trade with Cuba. Thus, the head of the U.S. executive branch has openly violated internationally accepted legal norms according to which no state can use pressure tactics to inhibit free maritime trade and freedom of navigation.

That aggressive position, along with other well-known antecedents in the external sphere in these initial years of the nineties, corroborates what the U.S. Government thinks of the so-called new world order, while alerting the world to the possibility that Washington will try to set up a naval blockade against Cuba, with incalculable consequences. This is happening at the same time when there is, like a giant, a fraternal linking of arms among all races and creeds at numerous points on the globe. We can see the willingness of the peoples to show solidarity with Cuba, to send—as the promoters say—a shipment of oil, medicine, or powdered milk to our people, who are stoically enduring the consequences of a double embargo, in particular the one that Bush is trying to make even harsher in the name of opening a path among us for a so-called peaceful transition to democracy.

The U.S. President knows that the ships whose arrival in Cuba he is trying to affect are bringing food and medicine for the Cuban people as well as resources necessary for our homes to have electricity, so the sugar harvest can be carried out, so or our school system can operate, and other things. The Cuban Foreign Ministry believes the U.S. President's statement in which the above ideas are set forth has without a doubt the virtue of making it plain that the the economic, trade, and financial embargo against our country is still rigorously in effect. The statement also marks the President himself as the public instigator of violations of legal norms that were established and accepted many years ago by the civilized governments and nations of the world.

Signed, Ministry of Foreign Relations of the Republic of Cuba

Mi-17 Helicopter Crashes in Camaguey; Two Dead

FL2404022992 Havana Radio Reloj Network in Spanish 0209 GMT 24 Apr 92

[Text] On 22 April a Revolutionary Air Force Mi-17 helicopter carrying 13 soldiers crashed while on a mission in the southern part of the Florida Municipality in Camaguey Province. Captain Osvaldo Planas Riveron, the copilot; and Ramon Pereida Espenoz, a worker of the Rene Almanzar Rice Farm, who resided in the area of the crash, died in the accident. The remainder of the

soldiers were immediately taken to Octavio de la Concepcion y de la Pedraja Military Hospital in the provincial capital where seven of the injured are being treated. The other soldiers were released.

According to the note from the Ministry of the Revolutionary Armed Forces, an Antiaircraft Defense and Revolutionary Air Force commission is investigating the cause of the air accident, which occurred yesterday in the Florida Municipality of Camaguey and resulted in two deaths.

Haiti

Belizaire Reiterates Call for Tripartite Meeting

FL2304181792 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 23 Apr 92

[Report by Linda Berret on message by Senate President Dejean Belizaire at the Legislative Palace in Port-au-Prince on 22 April—recorded]

[Excerpts] Senator Dejean Belizaire, president of the National Assembly, has invited the executive and the Haitian Armed Forces [FADH] to a meeting to be held within 48 hours at the latest. The senator has called on all Haitians to discontinue conflicts so there can be an end to upheaval in the country. Details from Linda Berret.

[Begin recording] [Berret] The people have suffered enough. If the crisis is not resolved within the next few days, the country will eventually fade out. That is the message the National Assembly president delivered to the Haitian people today, Wednesday, around 1100 [1500 GMT] in Parliament.

Senator Dejean Belizaire made a long comment on the Washington agreement, which he does not believe tramples the country's sovereignty. The National Assembly president denied rumors that he is the one who sabotaged the 18 March session. He urged his colleagues in parliament who are saying that he is responsible for the fact that the crisis is still not resolved to look inward. Only then will they understand, says Senator Belizaire, that it is because there are too many conflicts among the political forces in the country that a solution has not been found to the crisis. Still within the scope of steps toward a solution to the crisis, the president of the National Assembly sent out an urgent, patriotic call to the executive and the FADH to meet within two days at the latest.

[Belizaire] The Haitian people have been experiencing great difficulties since October: no money, no jobs. All their necessities have become more expensive. [passage omitted] In view of all these hardships, the people are crying out for help. We parliamentarians, for whom the people voted in the defense of their business, have been run through the entrails by all these hardships and distresses. Therefore, we are using every tactic, every devotion, to find a solution to these problems that are eating away at the country. It is also the reason we listened carefully to the message of the provisional president, the message of the prime minister, and the message of the Army head. Once again, we are sending out an urgent, patriotic call to the executive power and the FADH for a serious talk within 24 to 48 hours among the executive power, the legislative power, and the FADH. [passage omitted]

[Berret] In conclusion, Senator Belizaire invited all the country's sons to think seriously about the future of Haiti. The senator urged everyone to repent as the only way to end the destruction and upheaval in the country. [passage omitted]

Around the table where Belizaire was presenting his message were Deputy Frantz Robert Monde, Deputy Mathieu Felix, Senator Julio Larosiliere, and Senator Eudrice Raymond, all members of the interparliamentary committee created within the context of the meetings to be held among the legislative power, the executive power, and the FADH. According to Senator Belizaire, this message is the first step in the interparliamentary committee's job. [end recording]

Nerette Agrees To Attend

FL2304213992 Port-au-Prince Radio Metropole in French 1600 GMT 23 Apr 92

[Report by correspondent Rothschild Francois, Jr.]

[Excerpts] [Announcer] According to parliamentary sources, the provisional president, Justice Joseph Nerette, has accepted the parliament's invitation. Justice Nerette has agreed to participate in the first meeting at the National Palace on 24 April at 1100.

According to REUTERS, President Nerette wrote to U.S. President George Bush to solicit the lifting of the OAS embargo against Haiti. [passage omitted] [Words indistinct] according to parliamentary sources, Justice Joseph Nerette accepted the parliament's invitation.

[Rothschild] The provisional executive responded positively to the invitation to the tripartite meeting called for by parliament to untangle the Haitian crisis. In a letter to the Sentate president, the president of the Republic, Justice Joseph Nerette, said he favorably received the initiative for a meeting of the parliament, the government, and the Army. He also invited the three parties to a preliminary meeting tomorrow morning at 1100 at the National Palace.

We still do not know whether the Haitian Army General Staff High Command will participate in this series of meetings aimed at finding a solution to extricate the country from this situation.

We have learned that the members of the parliamentary committee designated to participate in the tripartite meeting should meet this afternoon in Port-au-Prince.

The members of this committee that groups all tendencies in the Chamber should have a common position before the meeting with the provisional executive.

Roy Proposes Limiting Executive Powers

FL2304182692 Port-au-Prince Radio Soleil Network in Creole 1100 GMT 23 Apr 92

[Excerpts] The first recorded reaction to the message from the president of the National Assembly comes from Jean-Claude Roy, representative of the Union of Haitian Constitutionalists. Roy does not believe that the consensus to which the Senate president referred is now possible. He also says he does not understand the point of the Senate president's message. Roy calls the communique a waste of time. [passage omitted]

Roy expects the situation to deteriorate because the institutions cannot live up to their responsibilities and are using delay tactics. He proposes that parliament initiate an interpretative law aimed at limiting executive powers.

Bourjolly Says Army Holds Key to Crisis

FL2304222992 Port-au-Prince Radio Metropole in French 1600 GMT 23 Apr 92

[Italicized passages are in Creole]

[Text] There were numerous reactions to the parliament's proposal of a tripartite committee of the executive, Army, and Parliament to solve the crisis. The spokesman and second in command of the Unified Party of Haitian Communists [PUCH], Max Bourjolly, thinks the consensus is to be found in the Washington agreement. He encourages the Army and parliament to shoulder their responsibilities to extricate the country from the crisis.

[Begin Bourjolly recording] *Dejean Belizaire, president of the National Assembly, made a three-part statement on 22 April. First, Belizaire noted how much the country had been destroyed, but he did not mention that it was the result of his own work because he has delayed and the embargo has finally destroyed the country. Second, he asked for a concerted solution with the Army, the parliament, and the executive. I think that it could be a good thing as long as he does not say solution but rather a consensus. Because we think that if a meeting must be held, its objectives must be to ratify the Washington Agreement and ratify Prime Minister-Designate Rene Theodore. The third point he should insist upon, and one that he did not mention, is that he calls on the institutions to compromise, meaning the Haitian Army and the executive, so a solution can materialize. I think the key to the crisis remains in the hands of the Haitian Army. If the Haitian Army decides today that the joke is over, within five minutes there is no more Nerette, no more Honorat, and the negotiated solution will ensue. Therefore, the ball is in General Cedras' hands, the Haitian Army, following Dejean Belizaire's intervention.* [end recording]

Deputy Draws Gun on Colleague in Chamber Session

FL2304220692 Port-au-Prince Radio Metropole in French 1100 GMT 23 Apr 92

[Text] An incident marked the end of the Chamber of Deputies session on 22 April: A gun was drawn inside parliament. Deputy Laguerre warned one of his colleagues, Deputy Jean-Sorel Jacinthe, who suggested along with several other parliamentarians that the ministers of the provisional government be questioned. Deputy Laguerre was opposed to the proposal and drew his gun after jostling with his colleague. Here is a statement by Deputy Patrick Norzeus. [Begin Norzeus recording] As Deputy Laguerre calls himself a partisan, a defender of the executive, he opposed the idea and made it understood that we were playing with fire and, if we insisted, the Chamber would be dissolved. He even threatened several colleagues. I felt personally threatened because he said that this time the Chamber would be dissolved and we would no longer have the opportunity to take refuge in an embassy. At that time, discussions arose between those who were in favor of the provisional government and the other deputies who wanted to defend the people and the country. By then, Deputy Laguerre, because of his lack of oratorical skills, drew his gun and hit Deputy Jacinthe, causing him to fall. Deputy Laguerre cocked his gun and if it were not for the courageous intervention of a National Progressive Revolutionary Party of Haiti [Panpra] colleague, Yves Pericles Beauge—at his own risk—I think that our colleague Jacinthe would have been dead.

In the face of such a situation, we are denouncing and deploring the incident. I am extremely traumatized by the sight of a colleague on the floor and another colleague with his drawn and cocked gun. It is a horrible spectacle of decline and decay by a certain parliamentary type. We think the political blocks, especially the National Front for Change and Democracy [FNCD] block, will not delay in reacting against such an incident. Other colleagues, not members of the FNCD but those supportive of colleague Jacinthe and other Panpra members, also deplore the incident. [end recording]

Government Lifts Travel Ban on 20 Citizens

FL2304224092 Port-au-Prince Radio Metropole in French 1600 GMT 23 Apr 92

[Text] Approximately 20 Haitian citizens were banned from leaving the country by the Honorat government. A source at the Ministry of Interior has told the newspaper LE NOUVELLISTE that these citizens are now authorized to travel freely. The ministry did not give a reason for this measure other than stating that the government was just investigating those citizens.

According to information from LE NOUVELLISTE, the people banned by the government measure would be partisans of the negotiated solution ensuing from the Washington agreement.

El Salvador

FMLN Reports Armed Forc s Retake Positions

PA2304214692 San Salvador Canal Doce Television in Spanish 0300 GMT 23 Apr 92

[Report by Fausto Valladares]

[Text] Miguel Saenz, Farabundo Marti National Liberation Front [FMLN] representative to the Copaz [National Commission for the Consolidation of Peace], reported that the Army has reoccupied certain positions it had abandoned in Chalatenango Department. On the morning of 22 April, Deputy Defense Minister General Juan Orlando Zepeda denied the report and said that it was politically motivated.

On 22 April, Miguel Saenz told the press of indications that the Army had retaken certain previously abandoned positions in northern Chalatenango Department which, according to Saenz, endangers FMLN troop concentration efforts. Saenz expressed concern and said all political options will be explored first to resolve this violation of the peace agreements.

[Begin Saenz recording] We are concerned over the actions by certain sectors of the Armed Forces, which indicate the situation can become complicated and endanger the cease-fire. We intend to act responsibly, very firmly, and correctly. Obviously, we have also reported this to the correct authorities, in this case Onusal [UN Observer Group for El Salvador] and Copaz. [end recording]

Deputy Defense Minister Juan Orlando Zepeda said there have been no such troop movements and attributed these reports to problems the FMLN is encountering in concentrating its troops.

[Begin Orlando Zepeda recording] I interpret the information reported by Radio Venceremos as a pretext for them to move some sort of armed units. We know they have many mobility and logistical problems. The FMLN does not want to concentrate its troops in specific areas; this is easily understood. [end recording]

Saenz did not specify when these positions were retaken, but said the process was speeded up in the past week.

[Begin Saenz recording] These movements have been taking place over the past few days. Since Holy Week, the Armed Forces movements have been more definite and precise. [end recording]

If the troop movements in northern Chalatenango Department are indeed confirmed, this could prove to be the cause of a break in the cease-fire in one of the hardest struck areas in the 12 years of civil war.

Serrano Denounces Deployments

PA2404011392 San Salvador Canal Doce Television in Spanish 0300 GMT 23 Apr 92

[Text] Rebel leader German Serrano, FMLN [Farabundo Marti National Libertion Front] military and political leader in Chalatenango Department, has confirmed the presence of Army troops in the northern region. That development was not part of the peace agreements.

According to him, the Army wants to provoke a test of strength with the FMLN fighters. Serrano said the movement of government troops was more noticeable during Holy Week.

[Begin Serrano recording] We have been noticing a number of 4th Brigade soldiers in the Amayo Turnoff since 4 April. Half of them were masquerading as rescue teams; the others were clearly indentified as combat units. The town of (Aldeitas), located between the Amayo Turnoff and the 4th Brigade garrison, is under military control. The Armed Forces never occupied this town during the war, but now a 4th Brigade contingent is there. [end recording]

Serrano added that 4th Brigade soldiers were also deployed in Santa Barbara Canton, El Salitre; and near the towns of San Antonio Los Ranchos, Guastilas, and Las Puertas in Tejutla, none of which were included in the agreements. He also charged that Air Force aircraft have flown over guerrilla camps.

[Begin Serrano recording] They have asked for permission to conduct training exercises with their airplanes. Last week, we learned one or two push-pull light aircraft were going to conduct tests between Cerron Grande, Potonico, and Los Ranchos. We totally opposed that request. We informed the UN Observers for El Salvador and asked them to take the necessary steps to prevent it. An AC-47 helicopter gunship conducted further military exercises in the Northern Trunk Highway area. [end recording]

The FMLN leader also said that various fronts' field commanders will give their views on the agreements' implementation and the Armed Forces' and government's failure to comply with some aspects of those agreements.

FMLN, Army Withdraw Troops per Peace Agreement

PA2304223892 San Salvador Radio Cadena YSU in Spanish 2030 GMT 23 Apr 92

[Report by Mario Marquez—recorded]

[Text] Field commanders of the Farabundo Marti National Liberation Front, FMLN, announced on 23 April that they have begun withdrawing their troops toward the 15 positions stipulated in the peace agreements signed on 16 January in Mexico to end the armed conflict.

According to a statement issued at noon on 23 April by FMLN field commanders, who met on Guazapa Hill, the Army has agreed to withdraw troops simultaneously to 62 positions, as stipulated in the agreements. The Army troop movement will take place from 23 to 26 April.

The FMLN commanders, who arrived from 33 war fronts in various parts of the country, issued a declaration called the Position of Commanders, Officers, and Combatants of the National Army for Democracy, END, in View of the Critical Situation the Peace Process Is Currently Facing.

According to the document, 98 days after the peace agreements were signed and 83 days after the cease-fire was implemented, all aspects of the process for implementing the accords has been delayed. That is worrisome and indicates a dangerous tendency toward reducing the agreements' basic contents. Of the package of agreements that should have been complied with to date, only 40 percent have been implemented, but not satisfactorily, the document states.

According to the rebel analysis, the situation in the Armed Forces is as follows:

The National Guard and Treasury Police have not been dissolved, even though the agreements stipulate that this should have occurred on 2 March. By that date, all members of those forces should have been concentrated in the areas assigned to the Armed Forces for the cease-fire period. However, there are still no positions assigned for the National Guard and Treasury Police in various parts of the country, and its members are still in uniform and armed.

The intelligence [word indistinct] institution has not been created and no [words indistinct]. The evaluation of the National Investigation Directorate has not begun, either. All these aspects should have been completed by 1 April, according to the agreements.

The rebel commanders added that the registration and enrollment of Civil Defense members has not been carried out, and the draft bill on private security agencies has not been presented to the Legislative Assembly. Both should have been done by 1 April.

Another point that has not yet been implemented is the broad publicizing in the media of the suspension of military conscription. The new Armed Forces doctrine is not being reported in accordance with the agreements.

The National Civilian Police, PNC, director has not been appointed. The contents of the recently drafted bill for the [word indistinct] Public Academy does not correspond [words indistinct] to the creation of the PNC established in the agreements signed in Mexico. The bill, according to the rebel analysis, runs contrary to its initial purpose, is discriminatory, has little [word indistinct] contents, and follows militaristic guidelines.

Commander Walter Arias spoke at the news conference on behalf of the 35 commanders who met in Guazapa.

[Arias, broadcast in progress] ...armed conflict.

A. The Salvadoran Armed Forces still holds more than 14 positions that do not correspond to those agreed on for its concentration.

B. The areas and cities where our forces are concentrated are being continuously flown over by military aircraft.

C. They are carrying out movements inside the areas of conflict under the guise of civic action.

D. They are permanently maintaining a provocative attitude toward our troops and settlements.

7. In view of thes situation, END leaders, commanders, and fighters support the signing of the peace agreements because they represent a new beginning in changing the conditions in crucial areas that led to the war in the first place.

8. We reiterate that the agreements were not signed just to end the war and stop the END, but fundamentally to transform the country into a true democracy.

9. The END categorically reiterates its willingness to comply with all commitments acquired in the negotiation process as long as there is reciprocity in the fulfillment of the agreements by the government and the Armed Forces.

10. As part of our willingness to comply with the agreements, we announce that beginning 23 April 1992, the FMLN will initiate the total concentration of its fighters to the 15 points agreed on in the negotiations. Simultaneously, as they have promised, the Armed Forces should concentrate all of its troops in 62 positions between 23 and 26 April.

[Marquez] These statements were made by Commander Walter Arias, who spoke on behalf of a group of rebel leaders who gathered at the Guillermo Manuel Ungo Citadel, located in the vicinity of Guazapa Hill.

Onusal Rejects Charges in Newspaper Advertisement

PA2304232292 San Salvador Canal Doce Television in Spanish 0300 GMT 23 Apr 92

[Text] Onusal [UN Observers for El Salvador] has rejected the charges made in a 22 April paid advertisement in a local newspaper. Onusal said the charges are part of a campaign to mar the efforts of the government

and the FMLN [Farabundo Marti National Liberation Front] to comply with the peace agreements.

According to a communique, the campaign seeks to hinder Onusal's verification work. Onusal is doing its best to carry out the mandate contained in the peace agreements signed by the government and the FMLN in Mexico on 16 January.

Onusal points out that the events mentioned in the paid advertisement are inexact and distorted, and that the advertisement is an effort to subvert the international organization's work.

According to Onusal, the most upsetting aspect is that this attack has been launched by a foreign organization with vested interests in the Salvadoran situation.

Judge Dismisses Appeal in U.S. Advisers Case

PA2304230492 San Salvador Canal Doce Television in Spanish 0300 GMT 23 Apr 92

[Text] The Chinameca judiciary authorities in San Miguel Department have dismissed the appeal to revoke the arrest order for FMLN [Farabundo Marti National Liberation Front] Commander Dominguez, involved in the murder of two U.S. military advisers.

Dinorah Andrade, first district court judge of Chinameca, said there is no justification for the appeal because a witness accused the rebel leader of shooting down a U.S. helicopter in San Miguel Department. The incident occurred in Lolotique in January 1991, when FMLN units attacked the aircraft carrying a group of U.S. servicemen, two of whom were killed after the helicopter crashed.

The Chinameca judge also asked for the names of the Salvadoran pilots who removed the bodies, so that they could be summoned for questioning.

Colombia

Government Decrees National Economic Emergency

PA2304201292 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1720 GMT 23 Apr 92

[Text] We have a last minute report from the Narino Presidential Palace.

A few moments ago the national government issued Decree No. 23 of April 1992 which establishes the following:

In order to solve the critical situation in the public electric service and avoid the extension of its effects, the government declares a state of economic and social emergency in all the national territory as of the date of this decree and until 2400 on 27 April 1992—I repeat—from the date of this decree and until 2400 on 27 April 1992.

Further down, the decree reads: In accordance with Article 365 of the Constitution, it is the government's duty to guarantee the efficient delivery of public services to all the inhabitants of the national territory. As a result of the harsh summer the country has experienced over the last few months, and natural phenomena whose negative effects have been intensified by the operational and financial deficiencies of the enterprises of the electric sector, there is a serious scarcity of electricity in all the national territory.

Furthermore, in the archipelago Department of San Andres, Providencia, and Santa Catalina, there has been an unfortunate incident which has destroyed one of its electric plants and, thus, caused a serious shortage in the department's energy supply.

In view of the aforementioned scarcity of electricity, the authorities have been forced to ration the supply of the aforementioned public service. This rationing could be intensified or extended if the government does not take all possible measures in time to prevent this situation.

According to Article 215 of the Constitution, when events different from those foreseen in Articles 212 and 213—events that may disturb or threaten to seriously and imminently disturb the economic social and ecological order in the country or that may represent a serious public catastrophe—take place, the president can, with all the ministers' signatures, declare a state of emergency for periods of up to 30 days in each case and which, when totaled, shall not exceed 90 days per year.

The same constitutional article adds that, through such a declaration, which must have a reason, the president can, with all the ministers' signatures, issue decrees aimed at solving the crisis and avoiding its extension.

Therefore, attention, the government has declared a few moments ago an economic and social emergency in the whole national territory and—I repeat—from the date of the decree, which is 23 April, until 2400 of 27 April 1992.

Government Rejects Rebel Proposal at Peace Talks

PA2304160792 Mexico City NOTIMEX in Spanish 0915 GMT 23 Apr 92

[Text] Mexico City, 23 Apr (NOTIMEX)—The Colombian Government has rejected the guerrillas' proposal to invite "international observers" in order to guarantee compliance with the dialogue process, because at this time there is nothing to verify.

Presidential peace adviser Horacio Serpa Uribe on 22 April rejected the rebels' proposal to bring in international observers "because there are no accords to verify." The "dialogue is experiencing difficulties because of the violent actions of guerrilla groups. These actions have cast doubt over the peace process being promoted by President Cesar Gaviria," Serpa expressed. He added that the participation of international observers will only be possible when agreements on the cease-fire have been reached.

Serpa stated that the peace process should be carried out amid tranquility and a favorable atmosphere to obtain credibility within the country. He demanded that the commitments made by the Simon Bolivar National Guerrilla Coordinating Board (CNGSB) in 1991 be maintained. Serpa noted that the talks "cannot be conducted behind people's backs." He added that the requests of the people, who demand that the cease-fire and the kidnappings be discussed, should be heeded. "Not changing the agenda would be like going against the current, which would represent the end of the process," he said.

In the beginning of the third round of talks in "La Trinidad," in the central Mexican State of Tlaxcala, the Government's Negotiating Commission questioned the spokesmen of the dissident group of the Popular Liberation Army (EPL). After denying that the government is trying to differentiate between political and military representatives, Serpa urged EPL leaders Diego Ruiz and Asdrubal Jimenez to clarify their positions. He also demanded the liberation of former Congress president Norberto Morales Ballesteros.

Both parties agreed to meet on 23 April to try to establish proposals that will lead to the official resumption of the peace talks, which are aimed at ending more than 30 years of war.

Meanwhile, the CNGSB voiced its satisfaction with the resumption of the talks, which were suspended on 20 March following the announcement of the death of former minister Argelino Duran Quintero while in captivity. The former minister died 10 days after being kidnapped.

Rebel commander Ivan Marquez reiterated the willingness of the guerrillas to continue discussing the topics, in keeping with the agenda established with the government on 13 March in La Trinidad, 160 km east of the capital. The rebel delegation said that international observers would serve to follow up on the dialogue and, in the event a situation affecting the talks arises, they could give their opinions. Marquez said that, although the international participation is still undefined, UN members, politicians, or Latin American personalities could become observers.

He concluded that the parties agreed to continue discussing the possible participation of different sectors at the talks that could give their points of view on the national problems.

Release of Kidnapped Demanded

PA2304171092 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 23 Apr 92

[Text] The peace talks between the Colombian Governnment and the Guerrilla Coordinating Board will be resumed on the condition that kidnappings be discussed, as demanded by both the authorities and the Colombian people alike.

Government Minister Humberto de la Calle Lombana has said that the government will demand the release of Norberto Morales Ballesteros, former president of the Chamber of Representatives, and all kidnapped citizens, including soldiers and policemen, whom the guerrillas have admitted they hold.

In addition, peace adviser Horacio Serpa Uribe said in Tlaxcala, Mexico, that the government has ruled out the possibility of establishing an international commission to supervise the talks resumed on 22 April, as the subversives had demanded.

* Military Report Views Guerrilla Peace Talks

92SM0359A Santa Fe de Bogota CROMOS in Spanish 30 Mar 92 pp 8-11

[Article by Omar Roberto Rodriguez]

[Text] Counselor Horacio Serpa Uribe packed up his papers and, with the government committee, took the first plane bound for Colombia. It was 0200. The handing over of the kidnap victims was on the day's agenda when the death of Argelino Duran Quintero at the hands of dissidents of the EPL [Popular Liberation Army], with headquarters in Tlaxcala, became known. When negotiations between the government and the guerrillas begin again everything will be different. Perhaps today more than ever the position and recommendations of the armed forces are becoming more important, as they are a fundamental part of the solution to this warlike conflict that has lasted more than 30 years. The document to which CROMOS had access provides elements that reveal the attitude of the Army toward negotiations with the guerrillas.

The Proposal

"Considering everything that has happened with the FARC [Revolutionary Armed Forces of Colombia] and the ELN [Army of National Liberation], is it possible to have talks with these groups? Unquestionably yes, but one must know how. You have to use a rearview mirror and see what happened in previous meetings. But above all it is necessary to understand that dialogue leads to negotiation.... With the members of the self-proclaimed National Guerrilla Coordinating Group it is impossible to improvise or to act without a thorough understanding of motivation or to go armed only with patriotism and good will. Any government negotiator must understand that he is going to discuss subjects of great national importance with persons steeped in rigid Marxist ideology, whose philosophy teaches its adherents to be masters of deceit. Without knowing the interlocutor and his desires we will appear as drooling idiots, like a few years ago. The country cannot stomach another simple-minded episode and has confidence in the negotiating committee of the present government, which shows improvement in this respect.

"We must begin by accepting that in previous dealings with the FARC we were very naive. That cannot be repeated. The results obtained in 1984 gave the impression that the government team was very inferior to that of its adversary; now it is indispensable to put our side on an equal footing of political strength and make it more astute. The negotiator must understand that the government still has the upper hand and behave accordingly. So far, the power of the state has not been employed in all its magnitude, and there still remains much deterrent capacity that can be applied. These are cards to be played at the right moment."

Talks with the guerillas must be held, but within certain guidelines:

1. There must be no fear of resorting to other alternatives if faced with intransigence.

"It must be said that it has become a generalized belief that the Colombian state is impotent regarding the problem of subversion. This belief is completely without basis. While not ignoring that the instruments that constitute national power have been reduced to their minimum deterrent and repressive expressions and that the armed forces after such a lengthy confrontation have not eliminated the subversive groups, it must be noted that we still have resources at hand.

"Many legal elements are waiting to be utilized to vindicate the institutions. For acceptable reasons in some cases but not in all, the state has reacted complacently to direct aggression, dealing with it as a simple political conflict when the reality is that the subversion has declared total war on the system. The principal effort was left to the security forces without providing them with effective political, judicial, economic, and social

reinforcements or backing them with the total commitment of the public sector and the determining contribution of the private sector. Until now, no real wartime measures have been taken, as the situation requires. If these were to be taken, the result would be the confrontation of the power of a nation of 30 million inhabitants against a minority group that, altogether, does not total 30,000 belligerents, including bandits, militias, auxiliaries, and political misfits. To negotiate with these groups one must have ready the coercive capacity of the entire state and not think twice about using it, even if reaching situations one did not seek but which might be less costly than letting things go on as before, or worse. It is good that the state abandons its softness once and for all.

"The power of deterrence must be applied. This deterrent power exists, it is real, it can be shown. It has political, strategic, military, economic, and social ingredients. Some of these ingredients have already had results, and others were productive in countries that suffered the same threat. To limit bandits to simple criminal organizations, depriving them of the political and ideological title of guerrilla fighter is to do justice to the truth.

"To control the communications media, preventing their providing a showcase for the ringleaders and ending the diffusion of their arrogant communiques, is not censorship but the prudent management of important factors in the preservation of internal order; journalists will understand a measure of this kind because they themselves have been victims of the violence of subversion. To resort again to courts martial to judge subversives might be a good idea. To legislate regarding crimes of political conspiracy, sedition, rebellion and rioting, with drastic and exemplary penalties, is to open up jurisdiction in this matter and make the state more secure.

"Retaining units or calling up the reserves would be a solution to make up for the deficiencies of troops in the military forces. Maintaining a war economy would be cheaper than tolerating indiscriminate terrorist attacks on the country's productive sector. Many other measures would be favorably regarded and approved by those who want to see Colombia respected and at peace....

"As Richard Nixon says, to achieve real peace the enemy must be deterred. Deterrence has not been used in our internal confrontation, but it must be. To point out everything that must be done to gain control is only one step in showing that the state and the subversives do not represent an equal balance of forces. The state is very superior, and the inequality of this fight must be rubbed in as often as necessary until the subversives understand it. It must not be forgotten that well administered deterrence becomes the backbone of national security strategy.

"...The military and police forces have the capability of militarily defeating the subversives as long as their operations are accompanied by political measures that isolate the armed rebels; juridical norms must be promulgated that sanction guerrilla fighters, auxiliaries, and collaborators; military resources and material gathered; areas that are recaptured must be consolidated.... Everything is possible if the political will exists, that is the key."

2. Perfect knowledge of the capabilities and intentions of the guerrillas is essential.

"The political situation of the country seems to indicate that the government does not have the means to accept a contest on equal terms. But it is not so. The subversion has gone far; there is no doubt of it. But not so far that we should surrender the whole field to it and accede to all of its demands.

"Legal instruments remain as valid measures to make the interests of the state prevail over opposing aims. There are still remnants of the Constitution and command that can be applied, and among them is the principle of authority that is always welcome.

"Since August 1990 the FARC and the ELN have vaunted a great capacity to inflict damage, but not one of destabilizing. On the occasion of the change of FARC command due to the death of Jacobo Arenas, the new leadership wanted to test its power by carrying out a general plan of attacks on military and police objectives. In following this plan they murdered several members of the armed forces, but they did not achieve their objectives in any of the attacks. If the FARC leaders were honest then, they would have concluded that they did not possess the destabilizing force that they believed.

"When they suffered the Casa Verde attacks they repeated the procedure and again it was clear that the FARC do not scare the armed forces. It should not be forgotten that no one talks about peace more than the subversives but they never cease to make war. So far, the FARC have shown they want peace: for state to be at peace with them, but not for them to be at peace with the state.

"The ELN for its part has been more radical: it has not entered into any kind of negotiations, and if it enters into talks one must try to discover what it is after. This group declares continually and categorically that it will not renounce the armed struggle. One would have to give it credit for its persistence in broadening its urban networks, forming its collectives, and providing its popular and urban militias with military training. That is to say, the ELN is seeking to grow as an armed force with good military and political support.... However, the ELN also talks of peace, but it might be in the form described by Jean Francois Revel: 'As the cunning that many have employed to baptize with the name of peace a certain way of making war.' Or probably it refers to true peace, but only when they possess power."

3. The eagerness for peace must be set aside in order not to incur a dishonorable peace.

"Peace is the most deeply felt need in Colombia at the moment.... If there is peace, there is happiness. Unfortunately, not all peace negotiations contribute to peace. The signing of agreements, treaties, armistices, or peace pacts does not always bring about peace. Often they precipitate or sharpen the war one seeks to avoid; some use peace negotiations as a strategy to win at war. Colombia learned this lesson in 1984. That is why a situation in which the desire for peace leads to buying the moderation of the adversary at any price or grants him too many concessions must not be repeated, because not only is peace not achieved but the dignity of the state is endangered and subversion strengthened; experience teaches that one must not go down that road.

"In a war, military operations are planned to defeat the enemy, reduce his operational capacity, and break his will to fight. The savage guerrilla attacks have accomplished none of this. Rather, they provoke more anger toward the subversive movement and make the stupidity of the cause and the remoteness of any possibility of its success apparent. To attack and attack without gaining any military or political victories, without gaining ground, without winning recruits, without obtaining popular support, is to be completely irrational. It does not show strength; it causes waste, and it decreases capability.

"It is the general opinion that in the guerrilla war that Colombia is fighting, hardened and experienced bandits are facing conscript and inexpert soldiers. The hardened and experienced bandits are few, and they make up the directive elements of the fronts and the small financing and execution committees; they generally do not fight. ...The guerrilla fighters seek advantage in surprise and in arranging for a proportion of six or seven to one when they are going to attack. On the other hand, soldiers without good military and psychological conditioning are not sent to 'red zones'. If at times the struggle is unequal due more to the rebels' knowledge of the terrain than superior combat skill or capacity, the Army is appealing to professional soldiers to match the rebels' familiarity with terrain.

"Evidence of the guerrilla's inability to subdue the nation's regular forces does not deny its power and strength to conduct terrorist attacks and resort to those means to achieve political goals. The country has always had to endure them, and the serious consequences resulting from the war that is being waged make peace indispensable, employing methods that do not sacrifice peace itself, that do not give strategic advantages to subversion.

"...If peace arrives with dignity for the Republic, it is welcome; but if peace is not possible by that route, other alternatives must be examined. In a decision of that kind lies the greatness of the government, which is the very greatness of the nation. Colombians will understand. A thought of Richard Nixon is appropriate: 'The nation that survives is one that meets the challenge of the times, has the wisdom necessary to recognize the threat and the will to confront it, and confronts it before it is too late."

4. First of all, the sincerity of the guerrilla must be negotiated.

[Passage missing] "to lose all credibility in the guerrilla and furthermore, because it is known that the FARC and the ELN continue with plans to remain in a state of rebellion in spite of showing interest in negotiating with the government and of speaking of wanting peace, it would be useful to find out if the representatives of the groups are coming forward to talk for the sake of talking or are they going to seek advantages in exchange for laying down their arms. Therefore, the first matter to clear up is unquestionably the sincerity of the guerrilla fighters. One would have to find a way to commit them to fulfilling the agreements that have been reached. One cannot proceed in the discussions without determining the seriousness and the clarity with which they are conducted."

5. Matters must not be negotiated that are the exclusive concern of the government or of the legislative branch.

"In the book, 1999, Victory Without War, Richard Nixon, referring to the leaders of the Soviet Union, says: 'The position of the Soviet leaders is that what is theirs is theirs and what is ours is negotiable.' This view has been adopted completely by the Colombian guerrilla leaders. Whenever they have been offered talks or conversations by return mail, they send an unacceptable series of demands. Some of them they try to place themselves on a level with the state, and others, they try to govern. This is unacceptable."

What Is Nonnegotiable

The question then arises what to negotiate with the FARC and the ELN; it is simple. First, let us see what can not be negotiated. Matters can not be negotiated that strengthen the guerrilla forces or raise up their leadership, as would happen with the offer—may it never come to fruition—of the ratification of the treaties of Protocols I and II of Geneva, which would give international recognition to armed groups as a belligerent force with the right to buy arms and receive military encouragement and support, what it pursues basically is to mobilize guerrilla groups. And the purpose of this decision, it is argued, is to humanize war, but why humanize it when what is needed is to end it once and for all?

Neither can one compromise during the talks on matters that are of sole and exclusive concern to the government, nor allow blackmail to have a place at the negotiating table.

For the majority of Colombians the agenda is clear: it is to seek favorable conditions in the passage from a life with weapons to a life without weapons, passing through phases of practical, technical, and psychological preparation, and reentering into legality, forgiveness, and forgetfulness until reaching the limitless field of civil

activity, in which they will be able to live with the guarantees and advantages that the state offers as a result of the agreements. The government already made its generous contribution by accepting talks without the suspension of hostilities.

The question that arises is whether these views of the Army were known in a timely way to the government team and were taken into account for the Tlaxcala negotiations. At this point they almost have the weight of recommendations.

Peru's Commercial Preferences, Benefits Suspended

PA2304154892 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 23 Apr 92

[Text] Santa Fe de Bogota—Colombian Foreign Trade Minister Juan Manuel Santos has reported that Colombia has suspended Peru's commercial benefits and preferences in retaliation for violations of the Andean Group's presidential agreements.

Santos said that Colombia cannot accept unilateral decisions that discriminate against national production, such as Peruvian President Alberto Fujimori's action resuming the application of tariffs on the rest of the Andean Pact member countries.

Peru

Fujimori Faces 'Major Crisis' Within Cabinet

PA2304171492 Hamburg DPA in Spanish 1552 GMT 23 Apr 92

[Text] Lima 23 April (DPA)—The national emergency and reconstruction government on 23 April faces its first major crisis since President Alberto Fujimori's institutional coup. Two principal cabinet members, Economy and Finance Minister Carlos Bolona and Foreign Minister Augusto Blacker Miller, have become involved in a bitter internal dispute.

Bolona, author of the neo-liberal structural adjustment program and Peru's main spokesman before the international financial organizations, has conditioned his remaining in the government to Blacker Miller's resignation.

The Peruvian foreign minister had become the emergency government's international spokesman when he appeared before the OAS to justify the suspension of constitutional guarantees in Peru.

Today, Lima's press revealed details related to the serious antagonism between Bolona and Blacker Miller. Apparently, the differences began last year when Blacker Miller became part of Fujimori's cabinet.

The morning newspaper EXPRESO reported today that Bolona criticized Blacker Miller's "excesses" in his description of Peru's internal situation. To add to the criticism of Blacker Miller, the resignations of two other key diplomats in the current crisis were added in the past few hours—Roberto MacLean, ambassador to the United States, and Luis Marchand Stein, representative to the OAS.

Meanwhile, leading business organizations have reiterated their demand for Bolona to continue as economy minister. The organizations voiced their fears for a change in the government's structural reforms program.

Eduardo McBride, president of the Exporters Association, warned that Bolona's resignation would inflict great harm on the country.

The legislature's criticism of Bolona's actions and the legal recourses filed by legislators against the economic measures were some of the most powerful factors that sparked Fujimori's coup d'etat on 5 April.

Meanwhile, Fujimori declined to answer journalists' questions on Bolona's resignation and said that he had not received any official message from the minister. "We are talking," Fujimori said on 22 April during a public event to support him held in the center of Lima.

Ross Says Resignation Unclear

PA2404013792 Lima Radio Programas del Peru Network in Spanish 1800 GMT 23 Apr 92

[Text] Alfredo Ross Antezana, transportation and communications minister, said during an interview that the Council of Ministers has no knowledge of any cabinet resignations, adding that the rumors should be cleared up. Minister Ross made this statement:

[Begin Ross recording] The Council of Ministers has no knowledge of Mr. Bolona's resignation. Carlos Bolona is a friend with whom I have had the opportunity to talk to personally. Unfortunately, we have not been able to talk very much because he has come down with a sore throat and a high fever. This is why he has not been able to attend the Council meetings. At the Council we have no knowledge of Mr. Bolona's resignation. True, there are very strong rumors regarding Bolona's resignation and a series of issues that will be brought up constantly. We will have to clear these up and explain these issues as they are brought up. I think this will be good for the nation. [end recording]

The transportation and communications minister, calling the nation's current situation a transitional phase, said President Fujimori wants to return to democracy as soon as possible.

[Begin Ross recording] The [word indistinct] should take place first in the political parties so that their spokesmen can say with authority that in our parties and in our political process we have democracy.

There is talk about the current situation lasting 18 to 20 years. This is not true, not at all. What has taken place here is an attempt to overcome the enormous stumbling

blocks that were preventing the urgent solution of problems. Our nation requires these solutions. At times, we forget that our country is living in a permanent state of war. We have significant problems that we must face, and there is little time. During the past 20 months we did everything possible to solve those significant problems. What did we come up against? Each time the road got more and more difficult because there were obstacles that we could not overcome. We are in a transitional phase. President Fujimori wants to return to democracy as soon as possible. [end recording]

Fujimori Calls For People's Self-Determination

PA2304150492 Lima Panamericana Television Network in Spanish 1200 GMT 23 Apr 92

[Text] Alberto Fujimori presided over an impressive meeting at San Martin Square on 22 April. The meeting was organized by various popular institutions and unions. During the meeting, Fujimori promised to institutionalize popular opinion and to put an end to high wages for legislators.

[Begin Fujimori recording] This large presence of the popular masses here in San Martin Square—which you yourselves have convened—makes me remember with emotion the days of my political campaign, the days of the first and second rounds of that campaign. I have emphasized the need for the people to express their opinions in a direct manner and I have proposed that popular opinion be institutionalized....[interrupted by cheering and applause]

To respect the people's decisions is to respect one of the most basic principles among nations: the principle of the people's right to self-determination. There must not be an imposition of any kind. It is the people who must decide their future and their destiny. The future and the destiny of the people must not be decided by the military, and especially not by those who have dishonestly run politics in Peru for so long.

What the Peruvian people surely want is a Congress consisting of people who work. [cheering and applause] They certainly do not want a Congress in which people only make speeches. To have such a Congress, we evidently need genuine popular representatives. Those who agree that legislators should make the minimum wage, raise your hands.... [interrupted by cheering and applause] [end recording]

Fujimori Visits Callao Institutions 23 Apr

PA2304132792 Lima Global de Television Network in Spanish 0100 GMT 23 Apr 92

[Text] President Alberto Fujimori made a four-hour visit today to different areas in Callao. At the Technical University—with the student's approval—he promised to send a military contingent to provide security and to erase the slogans painted on that institution's walls by rebel groups.

President Fujimori departed for Callao at approximately 1000. On the way, he stopped for several minutes outside the San Marcos University grounds where student activity is normal. Later he resumed his trip to the Technical University at Callao where he was met spontaneously by students and teachers. He then addressed the student body, whose opinion he requested on the return of the soldiers to the university grounds to erase the slogans painted on walls and to provide security outside the institution. In addition, Fujimori offered economic support of over $100,000 for the institution. We have here President Fujimori's statements.

[Begin Fujimori recording] What we are going to do, if you agree, is to exert greater control and vigilance, to stop the painting of the wall. If you agree, I will take care of that next week. [students cheer and applaud] I must give the students my support. Before the end of three weeks I want to donate 25 computers and 5 printers to you.... [interrupted by cheering students] Also, so that you can have greater participation in the production centers, I am going to send you a small truck and for student transportation I am going to send you a bus.... [interrupted by cheering and applauding students] I am handing over to the university director $25,000 in cash for.... [interrupted by cheering students] We are also going to send desks and used filing cabinets. Do you need lamps? [end recording]

Later, the president's delegation went to the Callao Naval Base were he met behind closed doors with Admiral Luis Jean Pietri, director of the Naval Academy. The president also visited the settlement in Puerto Nuevo where he inspected a community trade complex being constructed with Japanese economic support. Fujimori offered to establish a military garrison at that site.

[Begin Fujimori recording] You asked me for a model educational center for the children of Puerto Nuevo. Very soon you will have the children's dining room, the health center, the rest rooms, and the laundry room. [People shout: "Fujimori! Fujimori!"] There is also an agreement between us to construct and maintain a military garrison to keep order in Puerto Nuevo. [People applaud and cheer] Friends, I will return very soon. Every time that I meet with the communities, and in this case with the people of Callao, I can truly say that democracy is present, because the people are present. [end recording]

OAS Mission Prepares To Complete Evaluation

PA2404024292 Lima Panamericana Television Network in Spanish 1200 GMT 23 Apr 92

[Text] The OAS commission is preparing to complete its evaluation of the situation in Peru; there remains only an interview with Mr. Maximo San Roman Caceres, scheduled for some time this afternoon. On 22 April, however, the OAS commission's schedule was very busy, including interviews with representatives of various organizations.

[Begin recording] [Unidentified speaker] We have enjoyed a very warm and positive lunch with the OAS ambassadors and the journalists gathered here. We have had an ample exchange of opinions with the commission. We have pointed out the significance of the acknowledgement that freedom of expression still exists in this country; on the other hand, we also noted that this freedom still does not come with sufficient guarantees.

[Pilar Nores, wife of Alan Garcia] The OAS commission received us quite openly. They referred to the letter I sent to Secretary General Baena Suarez and expressed their concern for the fate of Dr. Alan Garcia. The OAS commission immediately prepared a note urging Peru to stop all persecution against Alan Garcia. We have come here today to point out that several of the 13 April OAS resolution points have not been implemented by the Peruvian government. Human rights are still being abused, laws are being violated, and decrees are constantly been modified in order to arrest Alan Garcia.

[Former President Fernando Belaunde Terry] We have reiterated our opinion that there must be a return to a constitutional system. We have spoken on several occasions about the 1979 Constitution, a constitution that came about due to the efforts of men such as Haya de la Torre as president of that assembly, myself as the president who gave official approval, and 100 other duly elected outstanding Peruvian personalities such as Bedoya Reyes, Ernesto Alaiza, Enrique Chirinos, Andres Aramburu, and other political figures. That document is still valid and should not be discarded. [end recording]

In the afternoon, the OAS commission paid a visit to Lima Archbishop Monsignor Augusto Vargas Almazora at his home in the district of San Isidro. Msgr. Almazora; Jose Dammer Bellido, president of the Episcopal College; and Bishop Miguel Cabrejos, proceeded to explain the Catholic Church's position on the current constitutional breakdown in a 45 minute meeting. Uruguayan Foreign Minister Hector Gros Espiell did not provide details of the meeting, but indicated that the commission's work is on schedule.

When the OAS commission returned to its Sheraton Hotel headquarters, it met with a workers union delegation headed by Pedro Huilca from CGTP [General Confederation of Peruvian Workers], Jose Ramos from the Single Union of Education Workers of Peru, Domingo Cabrera representing the health sector, and David Quintana from the truckers union, among others.

Pedro Huilca, as secretary general of the CGTP, asked the OAS mission to appoint a special commission that would remain in Lima to watch over human rights issues and a prompt return to democracy.

[Begin Huilca recording] .... of the OAS to urge all its member countries to motivate our government so that we may return to a constitutional democracy and a state of law as soon as possible. We have revealed that union rights violations continue to be committed in our country. Poverty, hunger, and unemployment persist, and 12 million Peruvians are currently living in conditions of extreme poverty. [end recording]

The last group to arrive was headed by former Comptroller General Luz Avila Saenz, accompanied by a group of Supreme Court judges recently dismissed by the national emergency and reconstruction government.

Delegation Departs

PA2404021392 Lima Global de Television Network in Spanish 0100 GMT 24 Apr 92

[Text] Foreign Minister Augusto Blacker Miller arrived at the Sheraton Hotel to bid farewell to the OAS mission. OAS Secretary General Joao Baena Soares, taking advantage of the attention drawn by Blacker Miller's presence, departed for the airport in his vehicle by slipping out from the hotel's basement parking garage.

The morning meetings at the Sheraton Hotel concluded when Blacker Miller departed from this downtown hotel amidst a swarm of reporters and when the OAS mission, already on its way to the airport, issued a communique to the media that described all its activities in the capital.

At the airport, Baena Soares was not able to escape the media, despite police protection. The OAS secretary general left for Washington at 1540 aboard a Lloyd Aereo Boliviano flight that made a stop over in Colombia. Here are his statements:

[Begin Baena Soares recording] I would appreciate your cooperation; I am not going to make any statement.

[Reporters, shouting questions at the same time] [Words indistinct]

[Baena Soares] When I return, thank you.

[First Unidentified Reporter] Do you have a message for the Peruvian people?

[Second Unidentified Reporter] Do you have a message to assure the people?

[Baena Soares] I want to express my friendship and a warm embrace to all my Peruvian friends. As I said before, I will not make any statements. [end recording]

Issues Communique

PA2404035692 Lima Global de Television Network in Spanish 0100 GMT 24 Apr 92

[Statement issued by Uruguayan Foreign Minister Hector Gros Espiell, president of the OAS Permanent Council's ad hoc foreign ministers' commission, and OAS Secretary General Joao Baena Soares in Lima on 23 April]

[Text] After a heavily scheduled three days of meetings, Uruguayan Foreign Minister Hector Gros Espiell, in his capacity as president of the OAS Permanent Council's ad

hoc foreign ministers' commission, and OAS Secretary General Joao Baena Soares issued the following statement:

1. During this visit to Peru we have made efforts to establish a dialogue between the authorities and the political forces represented in the Congress, with the participation of other democratic sectors. The goal of this dialogue is to establish the conditions and the commitment among the parties for the reestablishment of the constitutional order with respect for the balance of powers, human rights, and the state of law.

2. In fulfilling this mission with which we have been entrusted by the OAS foreign ministers, we have held meetings with Peruvian authorities at the highest levels; with former presidents; with politicians, professional associations, business and labor sectors; with the official sector; with the church hierarchy; national media directors, and with military authorities. The purpose of these meetings was to hear their points of view and receive information on the current situation in the country and to explain to them the goals of the mission with which we were entrusted at the foreign ministers' ad hoc meeting.

3. At the end of the first stage of our mission, we said we would present a report to the foreign ministers, through the OAS Permanent Council, at a special meeting to be held next week. The ad hoc meeting remains open and we will follow developments in Peru very closely. The OAS mission intends to return to Peru in the first week of May.

[Issued] Lima, 23 April 1992

Gros Espiell Assesses Mission

PY2404024692 Madrid EFE in Spanish 0054 GMT 24 Apr 92

[Text] Montevideo, 23 Apr (EFE)—Uruguayan Foreign Minister Hector Gros Espiell does not expect any new human rights violations in Peru after the OAS mission headed by OAS Secretary General Joao Baena Soares leaves Peru on 23 April.

Gros Espiell talked with the Montevideo media from Peru. He said: "In Peru everyone trusts that the situation will not deteriorate with our departure and that the relative improvement that began after a few critical days following 5 April will continue."

Gros Espiell added that at present "there are no serious or massive human rights violations." The Uruguayan minister recognized, however, that there were "critical days." The minister also said that in the next few days Peruvian President Alberto Fujimori "will study" and evaluate the criticism of his democratization program. According to Gros Espiell, that criticism will prompt "a new evaluation of the situation." We then will see "how the democratization process can be improved and returned to the right track as quickly, as clearly, and as irreversibly as possible. We all want the process to be as fast and secure as possible," Gros said.

The minister evaluated the OAS mission in Peru, recognizing there are great difficulties. Gros Espiell admitted the complexity of the mission that aims at promoting a broad dialogue in order to encourage the country's return to constitutional legitimacy. "Our first impression is that some aspects can be said to be positive," Gros Espiell said. The minister thinks that the first positive point is the unanimous recognition that Peru is living in a provisional period of limited duration.

Gros Espiell said President Fujimori confirmed to the OAS mission the implementation of his democratization program—which was previously ratified in a speech to the nation. The Uruguayan minister added that the program "was again confirmed today during an interview with the president, and it was solemnly reiterated by the commanders in chief of the Army, Navy, Air Force, and police, with whom we had a long and very important exchange."

According to Gros, the second positive point is that "all parties concerned want to return to the democratic system and a constitution founded on the Peruvian people's opinion, with all the system's guarantees." "Obviously, the path to that goal leads through a difficult dialogue," Gros Espiell stressed.

The minister thinks the OAS mission was able to get "a clear picture of the way each participant thinks. All political agents unanimously recognized the irreplaceable importance of the OAS in the democratic process, its supervision, and the prevention of human rights violations."

Gros said his meetings today with Peru's vice president, Maximo San Roman—who was designated president by the Congress in hiding—and Armed Forces representatives were "very important."

"We are returning to Montevideo with a lot of material. We will study it in the next few days, and we will write a report that the OAS Permanent Council will study at a meeting that will begin at 1500 on 1 May," Gros Espiell said.

The Uruguayan minister said he will return to Peru on 2 or 3 May, "not to evaluate the situation any more, but to make proposals and participate in all possible initiatives aimed at achieving what we all want: the return to democracy within a framework of respect for the principles of nonintervention and self-determination."

Blacker Miller on OAS Trip, Resignations

PA2404022392 Lima Global de Television Network in Spanish 0106 GMT 24 Apr 92

[Text] On 23 April, Foreign Minister Augusto Blacker Miller said he will travel to Washington in late April to explain to his OAS colleagues the details of the schedule announced by President Alberto Fujimori. After meeting

with the special OAS mission, Blacker said he hopes Economy Minister Bolona will reconsider his resignation:

[Begin recording] [Blacker] I want you to know that we are currently involved in an observation and information gathering phase. Thus, we cannot ask the OAS mission to make a decision. We must continue to be open minded and honest, as the Fujimori administration has been. We must give them all the facilities to collect information. I am sure there will be a happy ending if we continue on this path. We believe we now have the tools needed to advance this process in the best way possible, now that President Fujimori announced his proposals in his most recent message to the nation, that is, the schedule for the return to constitutionality, constitutional legitimacy, and national dialogue.

[Unidentified Reporter] Will you travel to the United States to explain this schedule?

[Blacker] Yes, I will travel to the United States, probably on 28 or 29 April, to meet again with OAS foreign ministers in Washington. The results of this first OAS mission visit will be assessed, and a second OAS visit, probably on 3 May, will be arranged.

[Reporter] Who will replace resigning Ambassador to the OAS Luis Marchand?

[Blacker] We regret profoundly the decision by Ambassador Luis Marchand, a prestigious ambassador in Peru, to leave Peruvian diplomacy. He will be replaced by Hernan Couturier.

[Reporter] [Question indistinct]?

[Blacker] We do not yet have a replacement for Ambassador to the United States MacLean, who also presented his resignation, as you know.

[Reporter] [Words indistinct] Mr. Bolona. Was his resignation confirmed? This morning it was said...

[Blacker, interrupting] We must wait until President Fujimori tells us about the talks he has held on that issue.

[Reporter] [Question indistinct]?

[Blacker] I wish that were the case; I wish he reconsidered his decision, because I believe that it would maintain the government's unity and economic direction, which I believe are very important. [end recording]

According to a White House spokesman, U.S. President George Bush and President Alberto Fujimori spoke over the telephone for 35 minutes. During the first bilateral contact since 5 April, when the Peruvian president announced the establishment of a national emergency and reconstruction government, Bush advised Fujimori to cooperate with the OAS to find a solution that will facilitate the return to a democratic system.

Bush also told Fujimori of the U.S. displeasure over the measures adopted in Peru against constitutional order and urged him to restore a democratic government as soon as possible. President Fujimori told Bush that he is not prepared to call legislative elections before February 1993. This conversation reportedly took place three days ago.

On Drug, Guerrilla Offensive

PA2404043792 Hamburg DPA in Spanish 0126 GMT 24 Apr 92

[Text] Lima, 20 Apr (DPA)—Foreign Minister Augusto Blacker Miller has announced an offensive against drug trafficking and guerrillas. He noted this is one of President Alberto Fujimori's main priorities, adding that the next four weeks could be crucial for the emergency government's future.

Blacker Miller told DPA that the dissolution of the Congress and the adoption of exceptional measures "are making a framework for legal action possible" against drug trafficking and guerrilla organizations. Nevertheless, the minister ruled out the possibility of military escalation in the war against the guerrillas.

Blacker Miller rejected statements by independent observers regarding infiltration by drug trafficking mafias in the Peruvian Armed Forces. He did not deny, however, that there are isolated cases of military personnel collaborating in the drug trafficking business.

After the 5 April institutional coup, Fujimori ordered the militarization of the Alto Huallaga jungle area, the principle coca growing area in Peru.

According to Blacker Miller, the leaders of the dissolved Congress prevented the enforcement of corresponding legal depositions. He added: "There were no laws against secret bank accounts through which drug traffickers' dollars were channeled."

"There was no law protecting the soldiers. If they killed a terrorist when attacked, they were always accused of murder," he noted.

Despite the interruption of the constitutional order, Peru has received the support of numerous nations. Japan is among them, and is interested in financially aiding the Andean nation, Blacker Miller affirmed. He noted: "It would be too soon to talk about an economic problem since many nations have given us their support."

"Depending on what happens in the next four weeks, the government will have to define an economic program based on the resources it can count on," Blacker Miller stressed.

"We cannot say that we are isolated from the international financial community, but there is going to be a reshuffling of Peruvian sources of financial revenue.

The international community understands the special characteristics of the Peruvian problem. This is a problem of drug trafficking, of terrorism, of extreme

corruption in the state institutions, and of society in general," Blacker Miller reiterated.

Military Included in 'Constitutional Cabinet'

PA2304190792 Lima Panamericana Television Network in Spanish 1200 GMT 23 Apr 92

[Text] Maximo San Roman will meet this morning at his home in San Borja with the members of the OAS special mission. Yesterday, San Roman said there was a possibility he might publish a new official daily that will reportedly be called EL PERUANO CONSTITUCIONAL, similar to the existing EL PERUANO, with the purpose of announcing officially the legal measures issued by his government.

[Begin recording] [Unidentified reporter] [Words indistinct] a shadow cabinet, as some politicians have called it?

[San Roman] This is not a shadow cabinet. This is a constitutional cabinet. First of all, we are going to appoint a president of the council of ministers and a foreign minister.

[Reporter] Do you think that tomorrow you will have the names of the ministers who will join you?

[San Roman] We are calling on our country's best people, and you may rest assured we will announce their names.

[Reporter] Mr. President, will there be any military officers in that cabinet?

[San Roman] Yes, the Armed Forces and the police will be represented by officers who are respected and trusted by the people.

[Reporter] Sir, who is going to risk being your defense minister?

[San Roman] There are very many qualified and dignified officers who have honored our heroes, such as Francisco Bolognesi and Miguel Grau....

[Reporter, interrupting] They belong to our history. Who are.... [pauses] Do you have any names in mind?

[San Roman] Of course I do; and listen, these are honest generals and not generals who will play into the hands of the presidential advisers.

[Reporter] How about the legal measures you are adopting?

[San Roman] Those measures will be implemented because, right now, all of the actions of the dictatorial and usurping government are null. It will not be able to privatize and it will not be able to obtain credits because the Constitution clearly specifies that the actions of one who usurps the constitutional mandate are null. Therefore, all actions of this government are null. [end recording]

Alan Garcia Interviewed on Coup, Escape Details

LD2304205292 Madrid TVE Internacional Television in Spanish 1830 GMT 23 Apr 92

[Report from Lima by special correspondent Javier Saenz; passages in quotation marks are recorded]

[Excerpt] [Announcer] [passage omitted] In Lima our special correspondent Javier Saenz has been able to secretly interview former President Alan Garcia, who denounced a murder attempt.

[Correspondent] Last night Alan Garcia's wife delivered a letter to the office of the Organization of American States [OAS] and said that her husband was not going to the OAS meeting because he feared for his life. A few hours later this interview took place in secrecy:

[Garcia] "That morning we received a report from inside the army about a criminal intention."

[Saenz] The former president tells how he was able to flee from his house on the night of the coup, before the soldiers arrived. He spent 48 hours hidden near his home, observing what was happening there.

[Garcia] "I saw how my wife was detained, she could not go into the house, and how my children were besieged in their own house."

[Saenz] Alan Garcia is unsparing in the words he uses to describe the Peruvian president:

[Garcia] "President Fujimori is a scoundrel [sinverguenza]."

[Saenz] He says that he will remain underground, that he rejects the dialogue offered by Fujimori, and that the people support the coup because they are in despair because of the condition of Peru brought about by the policies imposed by the IMF.

[Garcia] "What I can say to Spanish television is that it is not possible to squeeze a poor country in this way, inhumanely, and at the same time believe that it will be able to have democracy." [passage omitted]

Vows To Resist Fujimori

PA2404043692 Lima Global de Television Network in Spanish 0100 GMT 24 Apr 92

[Interview with former President Alan Garcia by unidentified Mexican ECO network reporter; place and date not given—recorded]

[Text] After 18 days, former President Alan Garcia Perez appeared before the news media in an exclusive interview he granted to the Mexican ECO network.

[Begin recording] [Garcia, in progress] ...one deputy of my party. Approximately 200 soldiers and six armored personnel carriers stormed my home. My four children were the only ones there. Thanks to the courage of a fellow deputy, I was able to leave the house. This was

providential, God's will. I was able to take refuge at a construction site. The building under construction was empty. From there I could see my house. I remained there for 48 hours, watching how the people who came to my house were arrested. The house was surrounded by Army tanks.

Afterward, a friend helped me out. That is when I was able to send ECO network a very brief recording to say I was not under arrest.

[Reporter] The United States initially adopted a hard stance, and now it seems they have modified it. Venezuela, for example, suspended relations with Peru. Costa Rica recognizes Alberto Fujimori as the only president. What do you expect from the international community?

[Garcia] I do not feel it is illogical for the United States to take a hard stance and yet recognize a fact. Weber, the distinguished German sociologist, said the state has the coercion of power. That means it has a monopoly on power. Fujimori, who apparently controls the Armed Forces, holds the state in his hands. He has power. This is the existing situation.

If the United States wants to pressure anyone to change the situation, they will have to pressure Fujimori. They cannot do that to Mr. Maximo San Roman. That would not be logical. To recognize Fujimori holds power in his hands does not mean he enjoys legitimacy and that things should remain as they are. When Costa Rica, Argentina, or the United States say that, they are merely naming the person to whom they must demand, through the OAS, the restoration of civilized life in Peru.

[Reporter] What do you want to say to the people?

[Garcia] To adhere to their principles. We have opposed the government because it needlessly impoverished the country by paying debt without getting anything from abroad. It seems that now without democracy we will have more of the same. Now we are not just opposed to the economic policy but also to the backwardness and savagery recently demonstrated. I will remain here. I will go from being a president who has received many awards and medals to someone who is persecuted. I will stay because that is my responsibility, with my fellow members of the American Popular Revolutionary Alliance. Who cares if there are many of us or just a few? The important thing is, if we are few, to convince others and make them realize they are mistaken and democracy is the best system. [end recording]

Government Decree Dismisses 134 Magistrates

PA2404131392 Lima Panamericana Television Network in Spanish 1212 GMT 24 Apr 92

[Text] The government on 24 April dismissed 134 magistrates. This is reported in the official newspaper EL PERUANO. Those dismissed include members of the Superior Court of Lima and Callao, provincial prosecutors, superior court prosecutors, investigative judges, and juvenile court judges. All of the judicial members are from Lima and Callao.

The measure is contained in Decree Law 25-446, which also established the creation of a commission to evaluate the magistrates still in office. The commission will be formed by three members of the Supreme Court who will investigate and evaluate all the magistrates. It will have 90 days to adopt the appropriate measures. The evaluations will also be expanded to include lower court judges and secretaries at the national level. With the support of the National Superintendency of Tax Administration and the immigration authorities, the commission will evaluate the magistrates' external signs of wealth. The investigations will also include the spouses and closest relatives of the magistrates.

Government To Punish Usurpers of Public Offices

PA2404041192 Paris AFP in Spanish 0120 GMT 24 Apr 92

[Text] Lima, 23 Apr (AFP)—On 23 April, the government of President Alberto Fujimori decreed sentences of seven years in prison for citizens who "while not holding a post and not having been appointed, usurp public functions; or, having been dismissed or removed from their posts, issue orders that are not of their competence," the official ANDINA news agency reported.

Authorities have not yet explained if the measure could be applied to Vice President Maximo San Roman, who was sworn in by the dissolved Congress as "Peruvian president," and has announced his intention of creating a parallel government with ministers and issuing an official gazette to publish his government's decrees.

Meanwhile, 13 Supreme Court magistrates removed from their posts by the Fujimori government have stated their intention of going back to their offices when the Justice Palace is reopened; several presidents of regional assemblies have expressed the same intention.

The 242 legislators of the Congress of the Republic, closed by President Fujimori's government of emergency and national reconstruction, continue to meet and adopt resolutions, such as swearing in Vice President San Roman.

According to ANDINA, the law decree establishes that "anyone not holding a post or not appointed who usurps a public function or the authority to issue military or police orders, or anyone removed from a post who continues exercising functions, and anyone exercising functions corresponding to a post different to the one he holds, will be punished with a jail sentence of no less than four years and no less than seven years." [sentence as received]

The punishment can be increased to eight years in prison "if in order to perpetrate the crime, the individual involved offers resistance or confronts the police forces," ANDINA reported.

'Arsenal' Seized at Former Minister's Residence

PY2304222092 Lima EXPRESO in Spanish 10 Apr 92 pp A11-A14

[Excerpts] Former Interior Minister Agustin Mantilla, a strongman of the APRA [American Popular Revolutionary Alliance] regime—who was arrested by police after the discovery of an arsenal in his house that included arms and ammunition of various calibers which are banned for civilian use—can be sentenced, according to Peruvian law, to eight to 15 years of imprisonment. [passage omitted]

As is known, at the Mantilla house on Granada Street, in Pueblo Libre district, police found seven Russian-made AKM rifles, 20 revolvers and pistols, three M-16 rifles, an M-5 rifle, two submachine guns, a 100-round Callas rifle fitted with a night-vision scope, one breech-loading shotgun, a .34-caliber Solotur rifle, five Instalaza rockets with long-range capability, paralyzing tear gas, three night scopes, radio equipment, National Police and Army uniforms, fatigues, boots, and 20 bulletproof jackets.

Police also seized two tripods for heavy rifles, 30 shoulder holsters, packages of gas masks, ammunition—including eight boxes of .38-caliber bullets, six boxes of .32-caliber bullets, two boxes of dumdum bullets, and a large number of boxes with bullets, which included 7, 62, 44, and 9 millimeter calibers, 30 ammunition pouches, and 12 AKM clips.

For those who understand the matter, the finding of this impressive war arsenal in Mantilla's possession—who during his administration was publicly known as "Rambo" for his tendency to lead police operations carrying arms and wearing military uniforms—would corroborate the many reports making him responsible for the creation of the wrongly named Rodrigo Franco paramilitary group.

In December 1989, during Mantilla's administration of Corpac's [Corporation for Airports and Commercial Aviation] portfolio, a report from a Rodrigo commando deserter revealed that the commando was created after Mantilla's recruiting of Miguel Rios Saenz to head Alan Garcia's security guard made up of APRA university students.

Part of that guard headed by Rios Saenz became known as Mantilla's "Golden Guard," which in November 1987—shortly after Rodrigo Franco's murder on 29 July 1987—reportedly turned into the paramilitary group wrongly known as Rodrigo Franco.

From that date on—just as the Shining Path and MRTA [Tupac Amaru Revolutionary Movement] were doing—the Rodrigo Franco commando launched a series of attacks against community leaders, murdering them, and even leaving paintings on walls claiming responsibility for the attacks. The attacks against Cecilio Paucar's tourist hotel in Huaraz and the homes of Raul Lector Rojas, Fernando Arias Camones, and Atilio Huerta—all of them Fredemo [Vargas LLosa's Democratic Front] councilmen—were carried out by this commando, which according to all indications was controlled by Mantilla. [passage omitted]

Mantilla's administration provoked a congressional commission created to investigate paramilitary groups. The commission's final report said there were strong indications of a link between the former interior minister and the Rodrigo Franco commando.

The report on this connection in October 1989 was signed by three commission members: Deputies Gustavo Espinoza, Manuel Piqueras, and Celso Sotomarino. The other commission members were APRA followers and presented a different report acquitting Mantilla. [passage omitted]

Central Reserve Bank Reports Financial Figures

PY2304143692 Lima EL COMERCIO in Spanish 14 Apr 92 p B6

[Summary] The Central Reserve Bank has reported that net reserves grew by $3 million between 7 and 13 March, registering a balance of $1.391 billion. The issuance of money on 13 March registered a growth of $5.1 million, a 0.6 percent variation compared to 29 February.

* 'Crisis' in National Police Before Coup Viewed

92SM0353A Lima SI in Spanish 23 Mar 92 pp 30-31

[Text] When President Fujimori was in San Antonio, Texas, last 26 February, he received a confidential report concerning a critical malaise in the units of the Peruvian National Police [PNP] and armed forces. He was therefore obliged to call the respective commanders and authorize them to transmit a message to all their units. His message announced an increase in pay effective 1 March and payment of the education allotment (from 70 to 100 soles) in the first two weeks of this month.

It is quite probable that another exchange of a report and promises has occurred, now that the chief executive has been in Tokyo. This is because the offer made in late February did not materialize and because the discontent has now been transformed into explosive tension that could result in a dangerous police work stoppage.

Some units of the armed forces are reportedly also involved in making these demands. The formation of a so-called Police-Military United Front is public knowledge; its president is retired PNP Corporal Oscar Pedraza, and its vice president is retired PNP Colonel Jesus Gil Arbildo. The Front marched to the Congress on 4 March and delivered to Cesar Barrera Bazan, chairman of the Permanent Committee, a petition that requested

passage of the proposed Law for Restructuring the Police that has been presented to the deputies and includes a demand for salary increases.

The latent crisis in the police force continues, and the delay in dealing with the crisis merely serves to deepen it. Information has been obtained that demonstrates this fact.

It is known that as of today, approximately 20 percent of National Police personnel—4,000 command personnel and 14,000 subordinate personnel—have requested retirement, not including the requests still pending from last year for 3,500 command personnel and 4,500 police officers.

Another indicator reflects a serious desertion rate: from October of last year to this March, 2,500 personnel abandoned their posts and, in many instances, presumably left the country.

The principal source of disaffection among our police is undoubtedly the extremely meager pay levels (see table), which are beginning to be compared to the stipends received by the personnel of the growing security guard services. In the most affluent municipalities, an officer working for these services can easily earn 240 new soles every two weeks, and the security agencies are paying salaries on the order of 320 new soles. It is easy to deduce that the incentive for some of the personnel considering retirement is provided by job offers from these new private police forces.

Some police officers believe that their attitude is motivated not only by the expectation of reasonable pay but also by the instinct of self-preservation and the right to life. Since the terrorist phenomenon first appeared—in 1980—a total of 1,800 police officers have died. Moreover, the conditions under which they must engage in combat offer them no security. For a total of six months, and sometimes for as much as a year, a policeman receives an allotment of 200 cartridges—a supply of ammunition that is totally inadequate in any "hot zone." So much so, in fact, that police officers are often forced to spend their own money to buy an additional supply of ammunition, or family members will take up a collection to provide their brother with one or two boxes of cartridges (a box of ammunition is priced today at $25).

Until 1990, service in an "emergency zone" was recompensed by an allotment equal to three minimum living wages (n.b.: minimum "living" wages, not legal minimum wages) added to the basic wages. Today, the 4,000 police personnel stationed in emergency zones must make do with their regular salary.

The morale of the police establishment has probably also been affected by a series of dubious practices on the part of certain levels of command. One of the many rumors commonly heard in the various commands should be mentioned. It relates to the distribution of fuel to the various units that receive a monthly allotment of 300 gallons for patrolling and assisting the public. In practice, only 100 gallons are consumed: the rest is allegedly sold to service stations, and that is why finding a policeman when you need one is like looking for a needle in a haystack. The ultimate destination of the money obtained from these sales remains to be investigated.

Because of the nature of their service and their profession, police officers must constantly be detailed to localities outside their home areas or provinces. When an assignment is for a prolonged period, an officer has to divide his salary. he may leave half of his salary of 120 soles behind for his wife and children. It is, of course, not a substantial sum, and not all wives will put up with the situation. In that case, the home suffers and the cases of divorce increase geometrically.

Table 1. Discharges During 10 Years

Period	Command Personnel	Police Officers
1982-1985	590	950
July 1985-July 1990	1,166	1,250
July 1990-July 1991	406	1,400
Pending from 1990-91	3,500	4,500
Requests Made in 1992	4,000	14,000

A total of 590 command personnel left the National Police during the entire period 1982-85, compared to 4,000 requests for retirement during the first three months of 1992.

* Labor Leader on Alan Garcia, Union Coalition

92SM0353B Lima SI in Spanish 9 Mar 92 pp 36-39

[Interview with Pedro Huillca, general secretary of the General Confederation of Peruvian Workers (CGTP), by unidentified reporter; place and date not given]

[Excerpts] [SI] It is said that you are Alan Garcia's man for the labor movement, and in particular his man for organizing the united federation....

[Huillca] Look: someone is always trying to link those of us who hold somewhat similar views on the nation's problems. My radical friends—the radical sectors of the left—have made this connection on the basis of a relationship we had between the president of the Republic—the head of the Aprist administration—and the Federation of Building Construction Workers for the purpose of obtaining demands that I regard as very important. I have no second thoughts or regrets regarding this relationship. We gained the labor exchange [bolsa de trabajo]—which right up to the present time has been reviled and challenged by the contractors—and also the semimonthly indexation and Construction Workers' Day. The contractors now want to attack these gains.

[SI] Could you see the possibility of a broad front for 1995, headed by Alan Garcia?

[Huillca] If the right and the new economic liberalism continue to grow in Peru, the left alone will be unable to cope with the situation. We in the labor movement are today aware that the CGTP [General Confederation of Peruvian Workers] is not enough and that a united federation is necessary. Even so, we realize that we unionized workers standing alone will not suffice and that a people's movement is necessary.

[SI] Then you believe a broad front is necessary in order to be able to win in 1995—one that will include APRA [American Popular Revolutionary Alliance] and the left?

[Huillca] And also include other sectors that oppose this policy of economic liberalism and want to democratize Peru. Yes, it is necessary, in order to resolve the crisis rather than put the burden for it on the workers and the popular sectors and in order to bring peace with social justice to Peru.

[SI] Would Alan Garcia be the most likely candidate of this front?

[Huillca] We would have to see at the appropriate time. It is still three years away. Many things could happen in Peru. A candidate with broader support might emerge.

[SI] But as of today, in 1992?

[Huillca] If a poll were taken today, the winning candidate would definitely be Alan Garcia. And not because I say so, but because there is no other alternative to the policy of economic liberalism.... Given our experience with Fujimori, we must sign a pact or agreement that will benefit the people.

[SI] Does this mean that your opinion of the Aprist government is—on balance—positive?

[Huillca] No, it is not entirely positive. Let us not forget the hyperinflation or the problems with corruption; let us not forget that we workers were beaten and that we were classified as being at the top of a social pyramid together with the business community. That was entirely a mistaken conception on the part of Alan Garcia.

[SI] And do you believe he has changed that conception?

[Huillca] Well, from his standpoint, he has to change. If he does not, he is doing himself great harm, and that could cause serious damage to his campaign if he runs for president in 1995. I believe he has to draw up a very self-critical balance sheet for what he did during those five years.

[SI] To change the subject: there is general agreement that the CGTP has been seriously weakened. To what extent is your party, the Communist Party, responsible for this?

[Huillca] I believe the degree of responsibility is very great, and this too must be analyzed self-critically. We cannot blot out the past and start a new page; that is what the bourgeois parties do. I am confident that this attitude will not prevail in my party.

[SI] What are probably the most serious mistakes that have been made?

[Huillca] The most serious mistake is that there was a great deal of partisanship, dogmatism, and programmatically oriented policy. All the candidates were imposed by the top leadership. Another mistake was that decisions were made from the top down as to what the federation should do, sometimes without taking into account the opinion of the workers who were active in the labor movement. [passage omitted]

[SI] In your view, what are probably the principal aspects of the opposition to the Fujimori administration?

[Huillca] An initial aspect should be a regrouping of the forces of the labor movement and the people in our country. A second aspect consists of putting together a plan for struggle that will give priority not only to a nationwide strike, but to a whole program of actions of resistance.

[SI] But would you have proposals for an alternative policy?

[Huillca] Of course. In the economic area, priority should be given to a social emergency plan, and perhaps—in view of the unemployment situation—some experiments previously undertaken in our country should be revived.

[SI] Such as PAIT [Temporary Income Support Program]...?

[Huillca] We might perhaps choose to do that....

[SI] But isn't there a lack of a more comprehensive alternative to the policy of economic liberalism? Because, for example, you are talking about two proposals that have already been put into effect during the Aprist administration—proposals that may be necessary but are only partial remedies.

[Huillca] That is true. In all areas there is a lack of a comprehensive alternative to the new economic liberalism.

[SI] For example: do you agree with reintegration?

[Huillca] I think so. Peru cannot be an island. Peru is, unfortunately, a very poor country and requires foreign investment for its development, but investment such as the investment that is occurring in China, for example. There, they are not giving everything away; it is foreign investment with conditions attached.

[SI] Then you do not believe that the CGTP and the labor movement have confronted Shining Path in an appropriate manner?

[Huillca] I go even farther: we have acted as a kind of procurer for terrorism and Shining Path. I say this with

the utmost frankness. In one way or another we have protected Shining Path—incubated it—within our social and political organizations. Among other things, we have not been resolute or decisive in calling this phenomenon what it deserves to be called. We still were saying sometimes, "those who have taken up arms," adding, "and are confronting the government." There were even those who still believed it was a revolutionary movement. We have said from the beginning that Shining Path in no way resembled a revolutionary movement.

[SI] In the opinion of many, the labor movement does not have the strength to rally the people.

[Huillca] I do not agree with the sermonizing of those who say the labor movement is in crisis. If so, were the strikes by the teachers and the government workers in vain? Was the strike by the public health workers in vain? There is a crisis, I believe, in some union leaders who are responding to the changes in the nation and in the world as if "frozen in their tracks," as we say in my part of the country. What we want is a vast democratic movement that will ward off not only Shining Path but the dirty war as well, because we find ourselves here between two fires.

[SI] Lastly, do you believe a united federation is possible?

[Huillca] I believe it is not only possible but necessary to work for a united federation. We workers cannot continue to be divided. Let us follow the example of the business community; they do not need profound discussions in order to unite. I believe they needed only a couple of months to form Confiep [National Confederation of Private Business]. We should set about forming a united federation that is divested of any partisanship.

[SI] How long do you think this might take?

[Huillca] No more than six months, if we all work at it. The CGTP Congress should engage in no further discussion of the agreement reached at the conference we held in February; it is now time to work toward the united federation. We should do away with the various logos; we should divest ourselves of our personal appetites. I have proposed, in my union, that a woman head this united federation.

[SI] Won't there be someone who will say that this is destroying the CGTP that Mariategui founded?

[Huillca] I believe that those who will be saying that are those who have already lost all validity and have no role to play in the labor and people's movement. Those who have failed will be saying that.

* Cabanillas Denies APRA's Paramilitary Role

92SM0353C Lima SI in Spanish 23 Mar 92 pp 32-36

[Interview with Senator Mercedes Cabanillas of the American Popular Revolutionary Alliance (APRA) by Santiago Pedraglio; place and date not given—first paragraph is SI introduction]

[Excerpts] Senator Mercedes Cabanillas, "Number Two" in APRA [American Popular Revolutionary Alliance], acknowledges that many of Alan Garcia's so-called "friends" were not loyal to him and were more interested in their personal goals. She also denies that she favors an all-powerful and single-minded leadership within the PAP [Aprist Party of Peru]. [passage omitted]

[Pedraglio] Have you heard a hit song called "The Towers" by the group Don't Know Who and the Don't Know How Many [Nosequien y los nosecuantos]?

[Cabanillas] Yes, yes.... How witty.... I took notice of the song only about three days ago. They mention several political leaders, do they not?

[Pedraglio] Including several APRA leaders....

[Cabanillas] Ah, yes, yes.

[Pedraglio] "One terrorist, two terrorists...the Aprist 'buffalo' Agustin Mantilla [former interior minister linked to paramilitary activities]; Alan Garcia and his clique; [Armando] Villanueva del Campo, whom I find as repulsive as [Enrique] Chirinos Soto...." Does that image bother you, that feeling on the part of the younger generation?

[Cabanillas] Yes it does. There is uneasiness and disillusionment there. We can deduce from the song that they do not find politics attractive. It does indeed bother me, because young people are 50 percent of Peru's population. They do not have the kind of dreams we had. I believe young people continue to dream and to have aspirations, but apparently they no longer aspire to a political career. That really pains me. I am anxious to know toward what areas of activity they are channeling their energies, their desires to change our country. Inevitably, renovation must also take place within the political parties, and do we have the genius for that?

[Pedraglio] Do you not believe that the decision to install Agustin Mantilla as organizational secretary of APRA serves to reinforce that image? You have been accused politically of being the principal advocate of the Rodrigo Franco Command.

[Cabanillas] There is much speculation about that, but events and the passage of time are bringing calm. It has even been alleged that APRA had its own paramilitary force. None of that was true, after all. Those paramilitary groups are still active today, even though we are no longer in the government and my colleague Agustin Mantilla is no longer present. I believe there has been enough exploitation of the Aprists, and enough vituperation directed against them.

[Pedraglio] It was public knowledge that the real security apparatus of the APRA congress was not set up by Idiaquez, but by Mantilla....

[Cabanillas] But what security apparatus are we talking about? Agustin Mantilla—in his capacity as a former minister of the interior and like any other politician—

has no more than four to six men around him. His security force consists of four persons.

[Pedraglio] I believe the number is substantially larger.

[Cabanillas] No, it is not. APRA does have its Secretariat of Discipline and its traditional disciplinarians....

[Pedraglio] Don't you think that with Mantilla as organizational secretary, APRA runs the risk of becoming militarized? It is a key position. He will be involved in party affairs 24 hours a day, and you will be involved only part time because you are a member of Congress.

[Cabanillas] I am a member of Congress but have the distinction of being a woman of the party, just as Mantilla is a man of the party and many others are men and women of the party. We are party cadres; we are not newcomers. We grew up in the party. His is the most important secretariat in APRA, but to interpret this as meaning that we are going to militarize ourselves...! Our solutions for the nation's principal problems—such as the narcotics traffic—do not aim at militarization, we are much less inclined to take a position that promotes the militarization of APRA.

[Pedraglio] In the event of a new Aprist government, what basic changes do you believe are necessary vis-a-vis the period 1985-1990?

[Cabanillas] As for governmental participation in the economy, for example, I believe that the "giantism" inherited from the military government should be reexamined; it should be limited to the essential activities, those in which the government's presence is vital. The government's role as promoter and regulator should not disappear, and we would not be in favor of a pure market economy either.

[Pedraglio] That would in essence amount to accepting the thesis of Fujimori or Vargas Llosa.

[Cabanillas] They want to minimize the role of government. They would have the government disappear from the education sector and the health sector. That is a dogmatic tenet of economic liberalism. There is a need, however, to correct defects and mistakes, as for example the fact that the budget has to absorb one loss after another on the part of public enterprises.

[Pedraglio] It would therefore be something like the program of the PPC [Popular Christian Party], which differs with Fujimori by saying that it favors a "social market economy."

[Cabanillas] That is pure cliche. In practice, there is every indication that Fujimori's congressional support comes more from the PPC than from "Change 1990" [Cambio 90]. This was the case with the so-called Presidential Control Law.

[Pedraglio] If the Fujimori administration can be called "pro-economic liberalism," and if the PPC is proposing a "social market economy," how might APRA's current proposal be summarized? As "reformed populism" or as "populism modified by economic liberalism"?

[Cabanillas] It is very risky to label something in that way, by using cliches. There is no doubt, however, that Peru needs to enter a phase of capital accumulation, but with a democratic and social orientation. Otherwise, it will be impossible to achieve even an acceptable redistribution of wealth, simply because there would be nothing to distribute but poverty. For this reason, Peru's social, legal, and political structure should be more stable than the periodicity of our governments. If the rules are continually changing because there is not a minimum level of consensus—a minimum agreement on essential matters—we could be throwing overboard everything good that can be achieved. [passage omitted]

Venezuela

Perez Deploys Troops To Quell Merida Disturbance

PA2404013692 Mexico City NOTIMEX in Spanish 0003 GMT 24 Apr 92

[Text] Caracas, 23 Apr (NOTIMEX)—On 23 April, Venezuelan President Carlos Andres Perez ordered the deployment of 1,200 troops to Merida to quell disturbances in that southwestern city and to confront a partial strike by state policemen.

German Cerrada, spokesperson for Merida State, told NOTIMEX that "on orders of the president and the defense minister (Fernando Ochoa), 1,200 National Guard troops were deployed from the neighboring state of Tachira."

He explained that 190 of the 4,000 state policemen have been on strike since 22 April. Governor Jesus Rondon met with 40 striking officers and promised to study their demands, provided they end the strike. "If they return to their official duties this afternoon, we will begin to discuss their requests," which are spelled out in a 15-point list of demands that includes a call for a wage raise, according to a state government communique.

Cerrada reported that student supporters of the police clashed with troops, looted clothing stores, and destroyed windows of commercial establishments and banks in downtown Merida. There have been no reports of anyone injured or arrested.

Tension mounted in this Andean city, 680 km from Caracas, until 1800 (2200 GMT), although the spokesperson noted that the military reinforcements and the presence of National Guard armored vehicles forestalled any possible violence.

Earlier, striking policemen clashed with troops patrolling the streets of Merida on the orders of Rondon, who received support from the government.

The police were studying the possibility of halting the strike to negotiate again with Rondon, with whom they held a two-hour meeting with local legislators and chiefs of civil and military forces.

In other incidents, a protest by 20 students of the Central University of Caracas ended without anyone injured or arrested, after security forces stepped in to disperse the demonstrators with tear gas, police reported.

Police Clash With Guardsmen

PA2304163792 Paris AFP in Spanish 1605 GMT 23 Apr 92

[Text] Merida, Venezuela 23 Apr (AFP)—Uniformed policemen and National Guard (branch of the Armed Forces) units clashed on 23 April, hurling tear gas at one another shortly before noon (1600 GMT) in this Andean city, 500 km southwest of Caracas, journalists have reported. Merida is a traditional center of student protests.

The policemen began a sit-down strike on 22 April, and when the National Guard tied to subdue them today the confrontation broke out. Dozens of students gathered to show support for the police, while Army troops took to the streets to break up groups of civilians near the area of the confrontation.

Further on Demonstrations

PA2304172692 Paris AFP in Spanish 1641 GMT 23 Apr 92

[Text] Merida, Venezuela, 23 Apr (AFP)—Journalists in Merida, 500 km southeast of Caracas, have reported that students demonstrating in solidarity with striking policemen set fire to a truck carrying mattresses at midday [1600 GMT]. The National Guard (military force) brought out its armored personnel carriers to combat focal points of unrest. The street demonstration was preceded by an exchange of tear gas between striking policemen and the national guardsmen who attempted to put them down. The Army also deployed troops on 22 April to try to maintain order and dissuade groups of civilians who support the striking police.

While the students began their street demonstrations, the Merida transport union announced that it was beginning a strike to support the striking policemen.

The policemen are principally demanding an increase in wages (virtually a minimum wage of about $140 a month) and better treatment by their superiors.

Merida is considered a powderkeg city due to the belligerence of its student movement in this university town.

Governor Jesus Rondon today rejected negotiations with the striking policemen, even though he admitted the fairness of their wage demands. He entrusted the National Guard with patrolling the city.

Banks, Stores Looted

PA2304182992 Paris AFP in Spanish 1756 GMT 23 Apr 92

[Text] Merida, Venezuela 23 Apr (AFP)—Two banks and several stores were looted on 23 April in Merida (500 km southwest of Caracas) and two vehicles were set on fire during protests staged by civilians who support the striking policemen, journalists have reported. The civilians are reportedly being held by the militarized National Guard.

Merida State Governor Jesus Rondon was getting ready to meet with a delegation of striking policemen, who are demanding a wage increase, shortly before 1400 (1800 GMT). The meeting is intended to end the unrest in this college town in the Venezuelan Andes.

While students and residents, who are confronted by the National Guard and Army units together with the police command, protest on the streets, transportation and teacher associations have announced strikes to show solidarity with the police.

President Denies Military Uprisings in Garrisons

PA2304151392 Hamburg DPA in Spanish 1258 GMT 23 Apr 92

[Text] Caracas, 23 April (DPA)—Venezuelan President Carlos Andres Perez has denied in Caracas that there has been any military insubordination at some garrisons, but other sources insist on saying the opposite. Perez told reporters that "it is absolutely untrue that there have been military uprisings." He also denied the arrest of officers on charges of insubordination in Maracay and Valencia.

However, the morning newspaper EL GLOBO reports on its front page that "something did happen" in Maracay, but that it has been controlled and attributes the information to Aragua State Governor Carlos Tablante. According to the same source, it was unofficially learned that seven noncommissioned officers of the "Palo Negro" Air Force Base in Maracay, capital of Aragua State, were arrested during the early morning of 21 April and that a wounded officer was taken to the military hospital in Caracas.

The newspaper quotes another report—without mentioning the source—that there was no uprising. Instead, it claims that some weapons were stolen from the Technical Aviation School in that city. The newspaper adds that "it was learned" that surveillance was reinforced at the Technical Aviation School in the early morning of 21 April. Also that low-ranking officers from the "Guaicaipuro" Fort, in the Valles Del Tuy southwest of Caracas, tried to move armored vehicles, but the attempt was foiled and two captains and one lieutenant of the Army were arrested.

For its part, the front page of the daily newspaper EL UNIVERSAL reported that a spokesman of the Military Aviation Command confirmed the incident in Maracay, but downplayed it.

EL NACIONAL, also on the front page, carried its version of the affair and claims that the commander of the Carabobo Garrison (capital of Valencia), said that "it was only a movement as part of annual exercises in the 'El Pao' area."

On another topic, the National Guard maintains control over the Andean city of Merida, in western Venezuela, after the police declared a strike to demand better salaries and back pay.

Furthermore, there is a potential conflict brewing in the teaching profession and the Education Ministry is negotiating with the leadership of the union to avoid the suspension of classes at primary schools, which would affect several million children around the country.

The basic point in this case is the eternal problem of the salaries and claims. However, because a collective labor contract will be signed this year, problems are expected.

Air Force Members Under 'Preventive Arrest'

PA2304170092 Paris AFP in Spanish 1518 GMT 23 Apr 92

[Text] Caracas, 23 Apr (AFP)—It was reported today in Caracas that Venezuelan Air Force members were held under preventive arrest for several hours at their base in Maracay, 60 km west of Caracas, after participating in a meeting during which they made charges against the government.

On the afternoon of 22 April there were rumors of military insubordination at the Maracay, Valencia, and Punto Fijo garrisons, in the central and midwestern parts of the country. However, the rumors were dismissed by a Defense Ministry spokesman who called to warn the media against publicizing such reports, "which affect the national stability."

Defense Ministry Spokesman Huizi Clavier, as well as President Carlos Andres Perez, gave assurances that the situation in the country is completely normal.

According to unofficial versions, the military movements observed in some cities of the interior were part of normal movements of Army troops. However, the rumors of insubordination began following a meeting held by members of the Air Force of Maracay during which they discussed the national situation and the status of the soldiers imprisoned for February's coup attempt.

On 21 April the imprisoned officers "kidnapped" military prosecutors and the chief of the prison for several hours to demand medical attention for two of their fellow inmates who are ill and to protest the conditions under which they remain under arrest.

Foreign Minister Comments on Peruvian Situation

PA2304204592 Caracas Venezolana de Television Network in Spanish 1550 GMT 23 Apr 92

[News conference by Foreign Minister Humberto Calderon Berti with unidentified reporters in front of the Miraflores Presidential Palace—live; broadcast in progress]

[Text] [Calderon Berti] ...have had a lengthy conversation with Uruguayan Foreign Minister Hector Gros, who heads the OAS mission in Peru to evaluate the situation. He has held numerous meetings with various members of the government, opposition, congress, clergy, Armed Forces, labor unions, and so forth. He is gathering more information and it will be presented for the consideration of the Permanent OAS Council on 1 May. On 2 May, a new mission will leave for Lima to present specific and possible solutions to the conflict.

[Reporter] How about Maximo San Roman, the new president who was sworn in by the congress that was dissolved by Fujimori? What is the Venezuelan government's stand on that?

[Calderon Berti] We are still evaluating the Peruvian situation. As is public knowledge, we have suspended our relations with Peru and do not yet have a stand on San Roman's case.

[Reporter] What do you think of the announcements made by Fujimori concerning a new government plan through 5 April 1993?

[Calderon Berti] The problem in Peru is that the Constitution has been violated. The Constitution is a complete entity; it is impossible to respect some articles while suspending other articles of the Constitution. I believe everyone is waiting for a return to the constitutional system. Evidently, it requires great understanding from Fujimori and his group and from the opposition. A dialogue is in order. Civilized means for solving the current conflict must be sought.

[Reporter] What is the Foreign Ministry's stand with respect to the veto or the fact that Deputy Marco Tulio Bruni Celli was not given permission to go to Peru?

[Calderon Berti] I just heard about it today in the media. Last night, I was in permament touch with our representatives in Peru—who are about to return to Venezuela—and they did not told me anything about it. I will try to speak today with Deputy Bruni Celli. I have been told, nonetheless, that the political opposition groups in Peru fear for respect of human rights. They feel that the presence of the OAS mission in that country is most important so there will not be any violations of their human rights. They will reportedly bring up the need and advisability to keep a mission there permanently to safeguard strict observance and respect for human rights.

[Reporter] Mr. Foreign Minister: It would seem as if Venezuela is being left alone.

[Calderon Berti] [words indistinct].

Former DIM Chief Warns of Attack on Perez

PA2304191092 Paris AFP in Spanish 1645 GMT 23 Apr 92

[Text] Caracas, 23 Apr (AFP)—Herminio Fuenmayor, former director of Venezuela's Military Intelligence Service [DIM], has alerted the government's security agencies to the probability of terrorist attacks against President Carlos Andres Perez; Rafael Caldera, former Christian Democratic Party president; writer Arturo Uslar Pietri; and Attorney General Ramon Escovar Salom.

During an interview published in the 23 April issue of the Caracas newspaper EL UNIVERSAL, Fuenmayor said: "I believe something serious is being plotted here. They (the rebels of past February) know that the elimination of the president of the Republic would have rendered their coup attempt successful."

Fuenmayor bases his "predictions" on the fact that arms reported missing after the foiled coup against Perez' social democratic government "are in the hands of far leftists, misfits, and groups that assault banks and private homes." According to the former director of DIM, subversive groups are paving the way in Venezuela "to accuse us of creating a very troublesome situation in the country."

"A very important political leader would be selected for murder. They feel sure that it would provoke an insurrection and perhaps a revolution in the country, with very serious losses for the nation," he said.

In addition to the possibility of an assassination, Fuenmayor included as probable candidates for a terrorist attack Rafael Caldera, former Christian Democratic Party president (1969-1974), the most popular would-be presidential candidate according to the most recent polls of opinion, writer Arturo Uslar Pietri, and Attorney General Ramon Escovar Salom.

Those three have in common their harsh criticism of the government for the prevailing corruption and the social democratic government's weakness in correcting the situation.

Fuenmayor resigned his position at DIM after he was accused of irresponsibly handling espionage activities and telephone recordings of several Venezuelan political personalities.

* Government To Diversify Financing Methods

92SM0350A Caracas EL UNIVERSAL in Spanish Section 2, 6 Mar 92 p 1

[Report by Bernardo Fischer]

[Text] Taking advantage of declining interest rates in international markets, the Ministry of Finance is preparing to issue foreign currency bonds to be sold to Venezuelan investors in Venezuela.

It also plans to issue bonds with seven-year terms and medium-term notes that will to be used to finance small operations in the international market.

The purpose of this diversification is to refinance the unrestructured debt and operations contracts maturing during the 1992-94 period, which amounts to $1.051 billion.

In addition, new loans amounting to 36 billion bolivares will be acquired in the domestic market to finance projects in 1992.

The Division of Public Finances reports that with these operations, Venezuela's foreign debt will reach a total of $29 billion on 31 December 1992 and its internal debt will exceed 130 billion bolivares.

The Finance Ministry will revise its policy of government endorsements and guarantees; state firms that guarantee the financing of their investments must do so on their own.

Venezuela's financial strategy for 1992 includes the issue of foreign currency bonds that will be sold in the domestic market to stimulate capital reinvestment in Venezuela.

These strategies are designed to provide maximum diversification in financing mechanisms; these mechanisms will include the use of short term notes, bonds in foreign currencies with seven-year maturity dates, and an orderly borrowing system to be used by all public enterprises.

The director of Public Finances at the Ministry of Finance, Alexis Gomez, discussed the 1992 Financing Plan, which has two major objectives: to refinance the unrestructured public debt, including ordinary operations contracts; and to obtain new loans in the amount of 36 billion bolivares to finance a variety of investment projects during 1992.

Gomez explained that the foreign debt policy is designed to diminish risk by diversifying credit channels and to develop the domestic market by issuing government bonds under attractive conditions.

"In the mid-term we want the bonds issued by the Republic of Venezuela to become a benchmark for the Venezuelan capital market, as Treasury bills are for interest rates in the United States. That will happen after Venezuela discharges its present internal debt with instruments that have different maturity dates and a variety of yields. We want to have a "yield profile" for bonds and securities issued by Venezuela ranging from one- and two-year Treasury Bills up to 30-year bonds."

He said that all these credit operations are being incorporated in a government payments timeline in order to avoid exceeding the nation's debt capacity, as had happened in past years.

The upper limit set for the public debt service, according to projections made by the Division of Public Finances, must not exceed 20 percent of Venezuela's export volume.

"This will avoid excessive concentrations of debt payments during some years in relation to others. We have not yet reached this equilibrium, but we are trying to ease the flow of government payments."

The key to achieving a public debt yield profile is creating mid- and long-term instruments that do not now exist in the Venezuelan market. Gomez felt that as these bonds and securities are introduced, a real long-term debt plan may be developed.

With this goal in mind, he said the Ministry of Finance is now working on the possible creation of Pension Funds, which will be ideal investors for this medium and long-term bond market that does not yet exist in Venezuela.

A Single Voice in Financial Markets

A key factor in the 1992 financing strategy will be the coordination of efforts by the government, Venezuelan Petroleum, and state enterprises to attract new resources.

"This is vital if we are to give an internal and external image of financial discipline. It is not acceptable for different public organizations in Venezuela to be competing simultaneously to attract resources. The Division of Public Finances is setting up a coordination system for potential financial operations to ensure that there will be no discrepancies or differences in the terms of the bonds issued or loans obtained by organizations like Venezuelan Petroleum and the state."

Gomez said that by coordinating access to international markets, Venezuela may obtain better financing terms.

This coordinated action will enable Venezuela to try to issue foreign currency bonds with longer maturity dates. Until the present, only bonds with five-year terms have been sold, but it is the Ministry of Finance's intention to offer terms ranging up to seven years. To do this, all public agencies seeking "new money" must offer similar terms that do not collide with each other.

Another central point of this financing strategy is to not endorse loans for state enterprises that will be unable to handle the debt service payments on the loans they are seeking.

Gomez noted that of the $20 billion of the foreign debt that was restructured in the 1990 Financial Plan, a total of $15 billion consisted of debts that had to be absorbed by the government; these were debts incurred by state enterprises. Only $5 billion represented the direct responsibility of the Republic of Venezuela.

"This forces us to be careful with loans that require endorsement by the Republic. This office is not going to process credit operations that do not offer full assurance of an ability to meet the service payments on the new debt being acquired. In other cases, we have been able to improve the financial terms in terms of maturity dates and interest payments."

He also announced that they are studying a revision of the guarantee policy that covers decentralized agencies; if the projects to be financed by the banks are good, they should not require state endorsement. Therefore, the new criterion of the Ministry of Finance will require these businesses to use their investment projects as loan guarantees, rather than leaning on the state as a crutch. It will force them to present only good investments.

Recovering Endorsements Made For the Private Sector

Under this revision of the state guarantees and endorsements policy, Alexis Gomez said they are also going to charge the private sector for endorsements that were paid by the government but made on behalf of private companies.

These endorsements are being retrieved from the now defunct Venezuelan Corporation for Development, and amount to more than $500 million.

[Fischer] What is the present status of our foreign debt?

[Gomez] As of 31 December 1991, the total debt amounted to $26 billion, including both the restructured and the unrestructured debt; $8.7 billion of this has now been prepaid, using the Brady Plan's zero coupon arrangement.

He said the weight of the debt is declining, based on our present level of international reserves: $13 billion. This reduces the value of the net debt—the amount of the debt minus international reserves.

Gomez mentioned a number of goals that are being pursued this year:

1.Making debt service payments on time, despite budget restrictions. This will avoid late payment penalties and also boost Venezuela's credit rating. It will force the Ministry of Finance to eliminate the administrative red tape that has delayed payments and caused the value of our credit instruments to be hit with surcharges or discounts from their face value.

2.Increased participation by the Republic of Venezuela in the domestic financial market, with operations amounting to 36 billion bolivares, using different types of government-backed bonds, loans arranged through national banks, and the placement of Treasury Bills.

3.Moderate participation in bonds issued in foreign currencies, to maintain Venezuela's presence in international markets, especially in the domestic markets in the United States and Japan. To date, bond issues have concentrated primarily on the European market.

4.Rating projects to be financed in order to establish prioritizing criteria for investments, to ensure that these debts will be repaid. This will mean working jointly with Cordiplan [Office of Coordination and Planning], which is responsible for making this evaluation.

Based on these objectives, the director of Public Finances said there will be two major lines of action.

First, both the internal and external capital obligations that will come due in 1992 will be restructured. This will help to improve the financing terms of these obligations, thereby decreasing the pressure of these payments on the budget and releasing resources for other investments, especially social investments. This will mean refinancing the unrestructured foreign debt in the amount of $255 million and the internal debt by 12 billion bolivares.

Gomez noted that this refinancing does not involve any new debt, as fresh resources will be obtained at better terms to pay off this old debt.

The Ministry of Finance is also planning to refinance the operations contracts that will come due between 1992 and 1994, amounting to $826 million. Of this amount, a total of $390 million must be paid this year.

In terms of new debt, the Ministry of Finance plans to obtain 36 billion bolivares in new loans throughout the year, to be used to finance investment projects already authorized by Congress.

New Government Bonds

The Ministry of Finance will use a number of financial innovations to refinance old loans and to borrow new resources.

Alexis Gomez announced that by taking advantage of declining interest rates in the North American and European markets, the Republic of Venezuela will for the first time issue bonds in foreign currencies; the bonds will be offered to Venezuelan purchasers in the domestic market.

This type of bond issue will attract Venezuelan "flight capital" that is now placed abroad in dollars or other currencies with low rates of return; it should bring capital back to Venezuela.

These bond issues will be done in moderation to avoid unnecessary pressures on the exchange rate.

Another Ministry of Finance innovation is the international placement of medium-term notes, allowing small operations in the international market, with maturity dates in 1992. Gomez explained that this system, called "Medium-Term Notes Facility," will enable a group of banks to finance a total of about $300 million for Venezuela; it will be released in a programmed manner as the Venezuelan Government pays or refinances its old debt.

"This offers the flexibility of small operations, which would otherwise be impossible with traditional foreign currency bond issues. These medium-term notes may be implemented in six weeks; they will help to diversify our financial instruments."

Alexis Gomez said that with new loans from multilateral institutions in 1992 in the amount of $1.35 billion, plus loans from bilateral organizations (Japan, Spain, France, Italy, Germany, Canada, and England), the foreign debt as of 31 December 1992 will amount to $29 billion, and the internal debt will total 130 billion bolivares.

This amount represents 16.10 percent of the exports Venezuela has scheduled for 1992. This will make this debt level manageable, within the National Executive's credit risk reduction process.